

## **Reference 5**

CORRECTION  
WARRANTY DEED

FILE NO. 397232

STATE OF TEXAS )  
COUNTY OF SAN PATRICIO ) KNOW ALL MEN BY THESE PRESENTS:

THAT, SUN OPERATING LIMITED PARTNERSHIP whose address is P.O. BOX 2880, Dallas, Texas 75221-2880, hereinafter referred to as "Grantor", for and in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration paid to the undersigned by the Grantee herein named, the receipt and sufficiency of which are hereby acknowledged and confessed, have GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents DOES HEREBY GRANT, BARGAIN, SELL and CONVEY unto NATIONAL OIL RECOVERY CORPORATION, whose address is 37-17 Bowne Street, Flushing, New York 11354, hereinafter referred to as "Grantee", subject to the reservation of minerals made herein below, all of that certain property ("the property") located in San Patricio County, Texas, as more particularly described in Revised Exhibit "A", attached hereto and made a part hereof for all purposes. There is expressly reserved from this conveyance all of the oil, gas, or other minerals which may be found in, on or under the aforesaid property, and this conveyance is expressly made subject to all existing easements, exceptions, covenants, conditions and reservations, whether of record or not in the office of the County Clerk of San Patricio County, Texas.

By its acceptance of this conveyance, Grantee acknowledges that it has inspected the property and has satisfied itself as to the physical and environmental condition, except as to the portions of the property covered by (i) the certain Surface Lease, dated January 19, 1989, from Sun Operating Limited Partnership to PI Energy, and (ii) all pipelines that traverse any portion of the property, to which Surface Lease and pipelines reference is hereby made for all purposes. Grantee agrees to indemnify and hold Grantor harmless from and against all costs, expenses, damages, claims, losses, liabilities, demands and causes of action of every kind and character, including but not limited to pollution and environmental claims, arising out of or in connection with the property and which are based solely on the activities of Grantee in respect of the property that are initiated or commenced only from and after the date hereof (except any of such that pertain in whole or in part to said Surface Lease and/or pipelines), it being understood that nothing herein shall be construed to indemnify and hold harmless Grantor from and against any and all costs, expenses, damages, claims, losses, liabilities, demands and causes of action, of every kind and character, including but not limited to pollution and environmental claims, arising in any way out of or in any way in connection with the ownership and/or use of the property by Grantor or by any other party at any time prior to the date hereof.

TO HAVE AND TO HOLD the aforesaid property, together with all singular the rights and appurtenances thereto, unto the said Grantee, its successors, and assigns forever, and Grantor does hereby bind itself and its successors to warrant and forever defend all and singular the aforesaid property unto Grantee, its successors, and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

This Correction Warranty Deed is given by Grantor and accepted by Grantee in replacement and substitution of that certain Warranty deed from Grantor to Grantee dated March 26, 1991, and recorded in Clerk's File No. Volume 394815, page        of the Deed Records of San Patricio County, Texas, which contains an erroneous property description.

NATIONAL WPD Page -1-

397232

05 001

FILE NO: 397232

EXECUTED this 14 day of June, 1991.

SUN OPERATING LIMITED PARTNERSHIP  
By Oryx Energy Company  
Its Managing General Partner

By: Fran G. Heartwell  
Fran G. Heartwell  
Attorney-in-fact

Accepted:

National Oil Recovery, <sup>Capitalized</sup> Incorporated

By: [Signature]

STATE OF TEXAS )(

COUNTY OF DALLAS )(

This instrument was acknowledged before me on the 14 day of June, 1991, by Fran G. Heartwell, Attorney-in-Fact, of Oryx Energy Company, Managing General Partner of SUN OPERATING LIMITED PARTNERSHIP, on behalf of said partnership.

[Signature]  
Notary Public

My Commission Expires:

12-24-92

STATE OF TEXAS )(

COUNTY OF NIUECES )(

This instrument was acknowledged before me on the 26<sup>th</sup> day of June, 1991 by Heather Hines Vitek, of National Oil Recovery, Incorporated, on behalf of said corporation.

Corporation

My Commission Expires:

[Signature]  
VIRGIL F. VITEK  
Notary Public  
State of Texas  
My Comm. Exp. 11/15/91

[Signature]  
Notary Public

"EXHIBIT A"  
SAN PATRICIO COUNTY, TEXAS

FILE NO. 397232

FIELDNOTES for a 16.74 acre tract of land being all of Lot 1, Bay Block 8, the West 509.29 feet of Lot 2, Bay Block 8, the South 130 feet of Lot 4, Bay Block 7, a portion of Ocean Drive and a tract of land between the East boundary of Ocean Drive and Redfish Bay, all as shown on the Burton & Danforth Subdivision map as recorded in Volume 1, Page 3, Plat Records of Aransas County, Texas and a certified copy of such map is recorded in Volume 152, Page 1 of the San Patricio County, Texas Deed Records:

BEGINNING at a 1/2 inch iron rod found (marked R.P.L.S. 1523) at the West corner of said Lot 2 on the Southeast right-of-way line of Bay Avenue (60 foot wide right-of-way with variable width caliche surface) for the West corner of this survey;

THENCE North 34° 37' 00" East, along said Southeast right-of-way line, at 330.00 feet pass a 1/2 inch iron rod found (marked R.P.L.S. 1523) at the North corner of said Lot 2 and the West corner of said Lot 1, in all a distance of 640.00 feet to a 1/2 inch iron rod found (marked R.P.L.S. 1523) on the Southwest right-of-way line of Sun Ray Road (40 foot wide right-of-way with 22 foot wide asphalt surface) for the North corner of said Lot 1 and a corner of this survey;

THENCE South 55° 30' 35" East along said Southwest right-of-way line at 901.00 feet a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears South 34° 29' 25" West 2.0 feet, in all a distance of 913.24 feet to the West right-of-way line of Ocean Drive for the East corner of said Lot 1 and inside corner of this survey;

THENCE North 16° 32' 55" East, along the West right-of-way line of Ocean Drive (80 foot wide right-of-way unimproved) 42.04 feet across Sun Ray Road to a 5/8 inch iron rod found at the South corner of Lot 4, Block 7 for an inside corner of this survey;

THENCE North 55° 30' 35" West along the Northeast right-of-way line of Sun Ray Road, at 13.46 feet a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears South 34° 29' 25" West 2.0 feet in all a distance of 900.19 feet to a 1/2 inch iron rod found (marked R.P.L.S. 1523) at the West corner of said Lot 4 on the Southeast right-of-way line of Bay Avenue, for a corner of this survey;

THENCE North 34° 37' 00" East along said Southeast right-of-way line 130.00 feet to a 1/4 inch iron rod with flattened top found for the North corner of this survey;

THENCE South 55° 30' 35" East, parallel to the Northeast right-of-way line of Sun Ray Road and 130 feet distant therefrom measured at right angles thereto, at 840.41 feet a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears South 34° 29' 25" West, 1.85 feet at 857.83 feet cross the West right-of-way line of Ocean Drive, at 861.02 feet pass a 5/8 inch iron rod in concrete found, at 941.92 feet cross the East right-of-way line of Ocean Drive in all a distance of 1,038.69 feet to the shoreline of Red Fish Bay;

THENCE along the shoreline of Red Fish Bay, South 20° 50' 26" West at 1.81 feet a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears North 69° 09' 34" West 2.24 feet, in all a distance of 89.75 feet to an angle point in said shoreline;

THENCE continuing along said shoreline South 00° 40' 20" West 80.69 feet and thence South 13° 50' 36" East 48.81 feet to the beginning of a concrete bulkhead;



THENCE along the outside face of said concrete bulkhead as follows:

South 73° 37' 00" East 15.96 feet;  
South 20° 16' 30" West 29.72 feet;  
North 71° 29' 02" West 48.32 feet;  
South 18° 17' 15" West 78.59 feet;  
South 71° 03' 51" East 53.00 feet and South 18° 42' 11" West  
54 feet to the end of said concrete bulkhead;

THENCE continuing with the shoreline of Red Fish Bay as follows:

South 40° 43' 53" West 74.95 feet;  
 South 50° 50' 46" West 42.44 feet;  
 South 11° 18' 15" West 141.77 feet and South 24° 58' 51" West  
 93.85 feet to a point on the Southeasterly extension of the common  
 boundary of Lots 2 and 3 Bay Block 8 for the South corner of this  
 survey;

THENCE with a wire fence along said Southeasterly extension, North 55° 30' 35" West at 82.04 feet a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears South 34° 29' 25" West 2.69 in all a distance of 132.15 feet to the centerline of Ocean Drive for a corner of this survey, from which corner a 2 inch iron pipe found on the West right-of-way line of Ocean Drive bears North 55° 30' 35" West 42.04 feet and thence South 16° 32' 55" West 1.47 feet;

THENCE with the centerline of Ocean Drive North 16° 32' 55" East, 346.87 feet to a point on the Southeasterly extension of the common boundary of Lots 1 and 2, Bay Block 8, for an inside corner of this survey;

THENCE along last mentioned Southeasterly extension North 55° 30' 35" West 42.04 feet to the South corner of said Lot 1 and the East corner of said Lot 2, on the West right-of-way line of Ocean Drive;

THENCE North 55° 30' 35" West along the common boundary of said Lots 1 and 2 at 2.64 feet, a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears South 34° 29' 25" West 2.77 feet in all a distance of 505.01 feet for an inside corner of this survey;

THENCE South 34° 37' 00" West at 1.12 feet pass a 1/2 inch iron rod found (marked R.P.L.S. 1523) in all a distance of 330.0 feet to a wire fence on the common boundary of said Lots 2 and 3, Bay Block 8 for a corner of this survey, from which corner a 1/2 inch iron rod found (marked R.P.L.S. 1523) bears South 34° 37' 00" West 1.12 feet;

THENCE North 55° 30' 35" West with said wire fence on the common boundary of said Lots 2 and 3, 509.29 feet to the POINT OF BEGINNING.

Bearings based on recorded plat of Burton and Danforth  
Subdivision.

[illegible]

FILE NO. 397232

COMPARED

*Sun Operating Limited Partnership*  
*National Oil Recovery Corporation*

FILED FOR RECORD

3:50 PM

JUL 17 1991

DOTTIE MALEY

CLERK COUNTY COURT SAN PATRICIO CO., TEX.  
By *Kevin Sand* Deputy

*Kevin Sand*

*89.10*

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON BY ME AND WAS DULY RECORDED  
ON THE *17* DAY OF *July* 19*91* FILE NO.  
*397232* OF THE REAL PROPERTY RECORDS  
OF SAN PATRICIO COUNTY, TEXAS.  
DOTTIE MALEY  
COUNTY CLERK  
SAN PATRICIO  
COUNTY, TEXAS.  
By *Kevin Sand*  
DEPUTY  
*Kevin Sand*

*San Patricio Title Co.*

397232

291147

05 005

MAY. -02' 00 (TUE) 13:05

ATTORNEY GENERALS OFFICE

TEL: 512 320 0052

P. 002

By: LAW OFFICE;

137832502;

May-1-00 15:46;

Page 11/20

## SPECIAL WARRANTY DEED

THE STATE OF TEXAS §

§

COUNTY OF SAN PATRICIO §

KNOW ALL MEN BY THESE PRESENTS:

THAT, National Oil Recovery Corporation ("Grantor"), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable consideration in hand paid by PI Energy Corporation, whose mailing address is 333 Clay Street, Suite 4310, Houston, Texas 77002, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does hereby GRANT, SELL, AND CONVEY unto Grantee, subject to the further provisions hereof, the surface only of the certain 2.5 acre tract of land located in San Patricio County, and more particularly described in Exhibit "A," attached hereto and made a part hereof for all purposes (the "Subject Property").

This conveyance and the warranty hereafter contained, however, are made and accepted by Grantee subject to the Permitted Encumbrances described in Exhibit "B," attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the Subject Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, its successors and assigns forever; and Grantor does hereby bind itself, its successors and assigns, to WARRANT and FOREVER DEFEND, all and singular, the Subject Property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, and under Grantor only.

GRANTEE, BY ACCEPTANCE OF AND DELIVERY OF THIS DEED, ACKNOWLEDGES THAT EXCEPT AS SET FORTH IN THIS DEED (i) GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN,

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ATTORNEY GENERALS OFFICE

TEL:512 320 0052

P.003

Sent By: LAW OFFICE;

137832502;

May-1-00 15:47;

Page 12/20

PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE SUBJECT PROPERTY, INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL, AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE SUBJECT PROPERTY, (C) THE SUITABILITY OF THE SUBJECT PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY CONDUCT THEREON, (D) THE COMPLIANCE OF OR BY THE SUBJECT PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE SUBJECT PROPERTY, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE SUBJECT PROPERTY, (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE SUBJECT PROPERTY, OR (H) ANY OTHER MATTER WITH RESPECT TO THE SUBJECT PROPERTY, AND SPECIFICALLY THAT GRANTOR HAS NOT MADE, DOES NOT MAKE, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATIONS REGARDING COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDER OR REQUIREMENTS, INCLUDING, WITHOUT LIMITATION, THE DISPOSAL OR EXISTENCE, IN OR ON THE SUBJECT PROPERTY, OF ANY HAZARDOUS MATERIALS; (ii) GRANTEE HAS FULLY INSPECTED THE SUBJECT PROPERTY AND THAT THE CONVEYANCE AND DELIVERY HEREUNDER OF THE SUBJECT PROPERTY IS "AS IS", "WHERE IS", AND "WITH ALL FAULTS"; AND (iii) NO WARRANTY HAS ARISEN THROUGH TRADE, CUSTOM OR COURSE OF DEALING WITH GRANTOR.

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ATTORNEY GENERALS OFFICE

TEL: 512 320 0052

P.004

ent. By: LAW OFFICE;

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Page 13/20

Ad valorem taxes for the year 1998, have been prorated to the date hereof, and the payment thereof is assumed by Grantee.

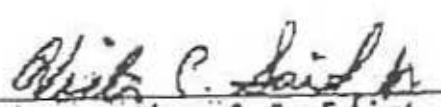
EXECUTED the 17 day of August 1998.

NATIONAL OIL RECOVERY CORPORATION

By:   
Solfred Maizus, President

ACCEPTED:


PI ENERGY CORPORATION

By:   
Printed Name: VICTOR C. SHIAO, JR.  
Title: PRESIDENT

THE STATE OF NEW YORK

COUNTY OF Queens

This instrument was acknowledged before me on the 17 day of August 1998  
1998, by Solfred Maizus, President of National Oil Recovery Corporation, a Delaware corporation, on behalf  
of said corporation and in the capacity therein stated.

  
Notary Public In And For  
The State Of New York

Bm Christine K. #41-5005053  
Notary Public, State of N.Y.  
Qualified in Queens County  
Commission Expires:

11/30/98

05 008

MAY. -02' 00 (TUE) 13:06

ATTORNEY GENERALS OFFICE

TEL:512 320 0052

P.003

ent By: LAW OFFICE;

13/832502;

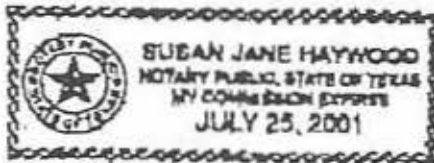
May-1-00 15:47;

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THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 19<sup>th</sup> day of August  
1998, by Victor C. Davis, Jr. President of Pi Energy  
Corporation, a Texas corporation, on behalf of said corporation and in the  
capacity therein stated.



Susan Jane Haywood  
Notary Public In And For  
The State Of TEXAS

After Recording Please Return To:

MAY -02'00(TUE) 13:06

ATTORNEY GENERALS OFFICE

TEL: 512 320 0052

P.006

at By: LAW OFFICE;

137832502;

May-1-00 15:47;

Page 15/20

TEL:

JUL 13, 2000 11:41 AM - 443 P.06

PARK TOWER - SUITE #01  
710 WESTFIELD ST.  
CORPUS CHRISTI, TX 78401



OFFICE: 512-320-0044  
FAX: 512-320-0040

## FIELD NOTES DESCRIPTION

2.50 Acres (108900 Square Feet) of land, described in deed Volume 188, Page 591 out of the tract described in deed File Number 345508 as recorded in the San Patricio County Deed Records dated January 7, 1985.

**BEARING** at a Found 1/2" rebar being the West corner of this tract, also being the West corner of LOT 2, DAY BLOCK 8, as shown on Burton & Danforth Subdivision as recorded in Vol. 1, Pg. 3; Plat Records of Aransas County, also filed as a certified copy in Vol. 152, Pg. 1 of the San Patricio County Deed Records;

**THENCE** N 34°36'06" E, 117.78 feet along the East R.O.W. of Bay Avenue to a Set 5/8" rebar for a corner of this tract;

**THENCE** S 55° 23' 54" E, 107.25 feet to a Set 5/8" rebar for a corner of this tract;

**THENCE** N 34°36'06" W at 21.87 feet passing a Found 1/2" rebar and continuing N 34°36'06" E at 212.24 feet passing the line between Lots 1 and 2, continuing in all a distance of 230.58' feet to a Found 1/2" rebar for the North corner of this tract;

**THENCE** S 55° 23' 54" E, 208.71' feet to a Found 1/2" rebar in the footing of a concrete retaining wall for the East corner of this 2.50 acre tract;

**THENCE** S 34°36'06" W, at 18.31 feet passing the line between Lots 1 and 2 and passing a Found 1/2" rebar at 208.71 feet, continuing in all 349.36 feet to a Set 5/8" rebar for the South corner of this tract;

**THENCE** N 55° 23' 54" W, 516.00 feet to the POINT OF BEGINNING containing 2.50 acres (108,900 Square Feet).

*J. Dale Moore*  
J. Dale Moore  
Registered Professional Land Surveyor  
License Number 1555



EXHIBIT "A"  
PAGE 1 OF 1

05 010



MAY -02' 00 (TUE) 13:06

ATTORNEY GENERALS OFFICE

TEL: 512 320 0052

P.007

RI By: LAW OFFICE;

137832502;

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## PERMITTED ENCUMBRANCES

## Rights of Parties in Possession.

Oil, Gas and Mineral Lease dated September 14, 1945, executed by J. C. HOFFMAN et ux, as Lessor, to PAUL L. BARR, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on September 15, 1945, recorded in Volume 54, Page 51, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Oil, Gas and Mineral Lease dated March 12, 1951, executed by RAYBURN P. HOFFMAN et al, as Lessor, to MILESITT & GRAHAM, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on May 4, 1951, recorded in Volume 76, Page 213, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Reservation of all of the oil, gas and other minerals by Grantors in Warranty Deed dated June 6, 1952, executed by GEORGE B. HOFFMAN, RAYBURN P. HOFFMAN and wife, NANCY HOFFMAN, LELA C. BOLLINGSWORTH, BOWEN A. HOFFMAN and wife, IRENE HOFFMAN, to SUNRAY OIL CORPORATION, filed for record in the Office of the County Clerk of San Patricio County, Texas, on June 20, 1952, recorded in Volume 177, Page 158, Deed Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Pooling Agreement dated April 21, 1953, executed by and between BURDETTE GRAHAM, and CONROE DRILLING CO. et al, filed for record in the Office of the County Clerk of San Patricio County, Texas, on April 28, 1953, recorded in Volume 85, Page 439, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Surface Lease dated May 1, 1953, executed by ARANSAS DOCK & CHANNEL COMPANY, as Lessor, to SUNRAY OIL CORP., as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on June 12, 1953, recorded in Volume 89, Page 21, Oil & Gas Records, San Patricio County, Texas.

Right-of-way Easement dated August 27, 1953, executed by SUNRAY OIL CORPORATION, to UNITED GAS PIPE LINE COMPANY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on October 19, 1953, recorded in Volume 185, Page 591, Deed Records, San Patricio County, Texas.

Pooling Agreement dated September 28, 1955, executed by and between JOSEPH T. DAWSON, and CONROE DRILLING COMPANY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on October 12, 1955, recorded in Volume 109, Page 257, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Agreement dated March 27, 1956, executed by and between BENMAR OIL CORPORATION, UNION OIL COMPANY OF CALIFORNIA, ARNOLD O. MORGAN, CONROE DRILLING COMPANY, & THE PRODUCERS SUPPLY & TOOL COMPANY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on July 21, 1956, recorded in Volume 115, Page 522, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

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ATTORNEY GENERALS OFFICE

TEL:512 320 0052

P.008

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10. Oil, Gas and Mineral Lease dated August 25, 1956, executed by SAN PATRICIO COUNTY, as Lessor, to CONRICK DRILLING COMPANY, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on September 14, 1956, recorded in Volume 117, Page 91, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
11. Right-of-way dated March 25, 1959, executed by UNITED GAS PIPE LINE COMPANY, to SHELL OIL COMPANY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on May 27, 1959, recorded in Volume 245, Page 179, Deed Records, San Patricio County, Texas.
12. Oil, Gas and Mineral Lease dated January 26, 1962, executed by GEORGE H. HOFFMANN, HOMER A. HOFFMANN and wife, IRENE S. HOFFMANN, LELA G. HOLLINGSWORTH, and NANCY ELISE MURPHY and husband, JOHN E. MURPHY, as Lessor, to PAN AMERICAN PETROLEUM CORPORATION, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on March 8, 1962, recorded in Volume 153, Page 170, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
13. Oil, Gas and Mineral Lease dated March 8, 1962, executed by PAUL L. BARR, individually and as Attorney In Fact for WILLARD D. BARR and LUCIENT F. BARR, as Lessor, to PAN AMERICAN PETROLEUM CORPORATION, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on April 3, 1962, recorded in Volume 154, Page 1, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
14. Right-of-way dated October 27, 1964, executed by SUNRAY OX OIL COMPANY, to PHILLIPS PETROLEUM COMPANY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on December 14, 1964, recorded in Volume 309, Page 234, Deed Records, San Patricio County, Texas.
15. Oil, Gas and Mineral Lease dated October 26, 1977, executed by GEORGE H. HOFFMANN, HOMER A. HOFFMANN, NANCY ELISE MURPHY and LELA G. HOLLINGSWORTH, as Lessor, to INTEGRAL ENERGY CORP., as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on December 16, 1977, recorded in Volume 284, Page 229, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
16. Oil, Gas and Mineral Lease dated October 20, 1978, executed by PAUL L. BARR et al, as Lessor, to INTEGRAL ENERGY CORP., as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, March 31, 1978, recorded in Volume 286, Page 136, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
17. Easement dated April 20, 1979, executed by SON OIL COMPANY, to RAYNAL REFINING LTD., filed for record in the Office of the County Clerk of San Patricio County, Texas, on April 27, 1979, recorded in Volume 606, Page 373, Deed Records, San Patricio County, Texas.
18. Oil, Gas and Mineral Lease dated February 27, 1981, executed by GEORGE H. HOFFMANN et al, as Lessor, to R. W. STEWARD, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on April 27, 1981, recorded in Volume 305, Page 536, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
19. Oil, Gas and Mineral Lease dated April 28, 1981, executed by MAXINE BARR et al, as Lessor, to GENESIS PETROLEUM CORPORATION, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on June 25, 1981, recorded in Volume 307, Page 275, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.
20. Mineral Deed dated September 9, 1987, executed by COMMERCE BANK OF ST. LOUIS, to COMMERCE BANK OF ST. LOUIS, TRUSTEE of the ESTATE OF GEORGE H. HOFFMANN, Deceased, filed for record in the Office of the County Clerk of San Patricio County, Texas, on September 15, 1987, recorded under Clerk's File No. 363588, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

MAY -02'00(TUE) 13:07

ATTORNEY GENERALS OFFICE

TEL:512 320 0052

P.009

INT BY: LAW OFFICE;

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Page 18/20

Right-of-way dated January 18, 1988, executed by UNITED GAS PIPE LINE COMPANY, to MAKO ENERGY, INC., filed for record in the Office of the County Clerk of San Patricio County, Texas, on January 25, 1988, recorded under Clerk's File No. 366997, Real Property Records, San Patricio County, Texas.

Surface Lease Agreement dated January 18, 1988, executed by UNITED GAS PIPE LINE COMPANY, to MAKO ENERGY, INC., filed for record in the Office of the County Clerk of San Patricio County, Texas, on January 25, 1988, recorded under Clerk's File No. 366998, Real Property Records, San Patricio County, Texas.

Mineral Deed dated January 16, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., TRUSTEE of the ESTATE OF GEORGE H. HOFFMANN, Deceased, to NANCY ELISE MURPHY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on August 15, 1989, recorded under Clerk's File No. 381492, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Mineral Deed dated December 13, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., TRUSTEE of the ESTATE OF GEORGE H. HOFFMANN, Deceased, to MARILYN C. BREITBARTH, filed for record in the Office of the County Clerk of San Patricio County, Texas, on August 15, 1989, recorded under Clerk's File No. 381493, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Mineral Deed dated December 13, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., TRUSTEE of the ESTATE OF GEORGE H. HOFFMANN, Deceased, to VIRGINIA B. SMITH, filed for record in the Office of the County Clerk of San Patricio County, Texas, on August 15, 1989, recorded under Clerk's File No. 381494, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Mineral Deed dated August 29, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., as Executor of the Will and the Estate of LELA G. BOLLINGSWORTH, Deceased, to COMMERCE BANK OF ST. LOUIS, filed for record in the Office of the County Clerk of San Patricio County, Texas, on September 7, 1989, recorded under Clerk's File No. 382031, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Mineral Deed dated September 28, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., as Executor of the Will and the Estate of LELA G. BOLLINGSWORTH, Deceased, to NANCY ELISE MURPHY, filed for record in the Office of the County Clerk of San Patricio County, Texas, on October 3, 1989, recorded under Clerk's File No. 382643, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Mineral Deed dated September 28, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., as Executor of the Will and the Estate of LELA G. BOLLINGSWORTH, Deceased, to MARILYN C. BREITBARTH, filed for record in the Office of the County Clerk of San Patricio County, Texas, on October 3, 1989, recorded under Clerk's File No. 382644, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Mineral Deed dated September 28, 1989, executed by COMMERCE BANK OF ST. LOUIS, N.A., as Executor of the Will and the Estate of LELA G. BOLLINGSWORTH, Deceased, to VIRGINIA B. SMITH, filed for record in the Office of the County Clerk of San Patricio County, Texas, on October 3, 1989, recorded under Clerk's File No. 382645, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.



MAY -02'00 (TUE) 13:07

ATTORNEY GENERALS OFFICE

TEL:512 320 0052

P.010

By: LAW OFFICE;

137832502;

May-1-00 15:49;

Page 19/20

ANY visible and apparent roadway easement on or over the subject property.

RIGHTS of the public to use, occupy and enjoy any portion of the subject property within a road right of way or easement.

Any titles or rights asserted by anyone including, but not limited to, persons, corporations, governments or other entities to tidelands, or lands comprising the shores or beds of navigable or perennial rivers and streams, lakes, bays, gulfs or oceans, or to any land extending from the line of mean low tide to the line of vegetation, or to lands beyond the line of the harbor or bulkhead lines as established or changed by any government, or to filled-in lands, or artificial islands, or to riparian rights, or the rights or interests of the State of Texas or the public generally in the area extending from the line of mean low tide to the line of vegetation or their right of access thereto, or right of easement along and across the same.

RIGHTS of tenant and/or tenants in possession, if any, under leases, recorded or unrecorded.

Plat of the BURTON AND DANFORTH SUBDIVISION, San Patricio County, Texas, recorded in Volume 1, Page 3, Map Records, Aransas County, Texas, a photostatic copy of which map is recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas.

Oil, Gas and Mineral Lease dated March 12, 1951, executed by PAUL L. BARR and wife, RUBY N. BARR, as Lessor, to MODESSETT & GRAHAM, as Lessee, filed for record in the Office of the County Clerk of San Patricio County, Texas, on July 16, 1951, recorded in Volume 77, Page 341, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

Reservation of all of the oil, gas and other minerals by Grantors in Warranty Deed dated June 6, 1952, executed by PAUL L. BARR and wife, RUBY N. BARR, to SUNRAY OIL CORPORATION, filed for record in the Office of the County Clerk of San Patricio County, Texas, on June 20, 1952, recorded in Volume 177, Page 170, Deed Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument.

(Lot 4, Bay Blk. 7 & WFE Ocean Drive only)

Gift Mineral Deed dated June 26, 1958, executed by PAUL L. BARR, to WILLARD D. BARR and LUCIAN F. BARR, filed for record in the Office of the County Clerk of San Patricio County, Texas, on July 31, 1958, recorded in Volume 235, Page 610, Oil & Gas Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the aforesaid instrument. (Lot 4, Bay Blk. 7 & WFE Ocean Drive only)

Right-of-way Easement dated June 9, 1981, executed by COAST MATERIALS, INC., to KIDFISH BAY PARTNERS, filed for record in the Office of the County Clerk of San Patricio County, Texas, on June 10, 1981, recorded in Clerk's File No. 298261, Volume 634, Page 880, Deed Records, San Patricio County, Texas.

Reservation of all of the oil, gas and other minerals by Grantors in Warranty Deed dated March 26, 1991, executed by SUN OPERATING LIMITED PARTNERSHIP, to NATIONAL OIL RECOVERY CORPORATION, filed for record in the Office of the County Clerk of San Patricio County, Texas, on March 28, 1991, under Clerk's File No. 394815, Real Property Records, San Patricio County, Texas, and by Correction Warranty Deed dated June 4, 1991, executed by SUN OPERATING LIMITED PARTNERSHIP, to NATIONAL OIL RECOVERY CORPORATION, filed for record in the Office of the County Clerk of San Patricio County, Texas, on July 17, 1991, under Clerk's File No. 397232, Real Property Records, San Patricio County, Texas. Title to said interest not checked subsequent to the date of the first aforesaid instrument.

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TITLE PAGE  
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

I, DOTTIE MALET, County Clerk of San Patricio County, Texas, do hereby certify that the following images are part of the Official Public Records of Real Property of San Patricio County, Texas, relating with File No. 392615 Image Identification No. 274917



WITNESS MY HAND AND SEAL OF OFFICE, this 14th day of December, 1990

*Dottie Malet*  
DOTTIE MALET, County Clerk  
San Patricio County, Texas.

FILE NO: 392615

ASSIGNMENT OF EASEMENTS AND PERMITS

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

That Impexco of Texas, Inc., a Texas corporation ("Texas Impexco"), acting herein by and through its hereunto duly authorized President, for and in consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration in hand paid by National Oil Recovery Corporation, a Delaware corporation ("Norco"), whose mailing address is 37-17 Bowne Street, Flushing, New York 11354, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby grant, transfer and assign to Norco, subject to the exceptions, disclaimers, reservations and agreements hereinafter set forth, all of Texas Impexco's rights, titles and interests in, to and under the following:

(1) The easements and permits described in Exhibit "A," attached hereto and made a part hereof for all purposes; and

(2) Any and all pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property located on, in or under the above described easements and/or permits and/or used in connection therewith.

TO HAVE AND TO HOLD the above described easements and permits, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, together with all and singular the rights and privileges appertaining thereto, unto Norco, its successors and assigns forever, subject to all of the following:

(1) Norco, by its acceptance of this Assignment, agrees to perform each and every, all and singular, the obligations contained in the above described easements and/or permits from and after the date hereof. Norco also shall indemnify, defend and hold harmless Texas Impexco, its successors and assigns, from and against any and all claims, lawsuits, demands and/or causes of action of whatever nature without limitation, including but not limited to, the payment of all damages, expenses, costs and attorneys fees, asserted and/or brought by any person, firm, partnership, corporation or other legal entity without limitation.

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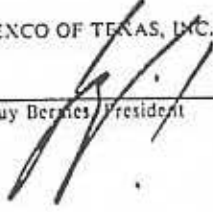
FILE NO. 392615

and which claims, lawsuits, demands and/or causes of action are (i) related to in any way the above described easements and/or permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property; (ii) caused by or arising in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of Norco, its agents, servants and/or employees; and (iii) caused by or arising in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of any other person, firm, partnership, corporation or other legal entity without limitation using, repairing, maintaining, replacing or in any other way involved with, with or without the express or implied permission of Norco, its agents, servants and/or employees, all or any portion of the above described easements and/or permits, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, provided that any such claims, demands and/or causes of action are based upon facts, circumstances and/or events occurring after the date hereof.

(2) Norco, by its acceptance of this Assignment, acknowledges that the above described pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property are second-hand or used and that Norco accepts the same in their present condition and location "AS IS" AND "WHERE IS," AND THAT TEXAS IMPEXCO MAKES NO EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR ANY PURPOSE OR OTHERWISE REGARDING THE ABOVE DESCRIBED PIPE, PIPELINES, VALVES, METERING EQUIPMENT, PUMPS, IF ANY, AND/OR OTHER EQUIPMENT, FIXTURES OR PERSONAL PROPERTY.

EXECUTED the 2nd day of MAY, 1990.

IMPEXCO OF TEXAS, INC.

By:   
Guy Bernier, President

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ACCEPTED this 4 day May, 1990.

FILE NO.

392615

NATIONAL OIL RECOVERY CORPORATION

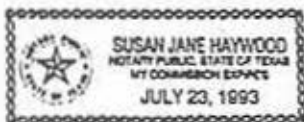
By: Solfred Maizus  
Solfred Maizus, President

THE STATE OF TEXAS

COUNTY OF HARRIS

§  
§  
§

This instrument was acknowledged before me on the 2nd day of May, 1990, by Guy Bermes, President of Impexco of Texas, Inc., a Texas corporation, on behalf of said corporation and in the capacity therein stated.



Susan Jane Haywood  
Notary Public In And For  
The State Of TEXAS

THE STATE OF NEW YORK

COUNTY OF QUEENS

§  
§  
§

This instrument was acknowledged before me on the 4th day of May, 1990, by Solfred Maizus, President of National Oil Recovery Corporation, a Delaware corporation, on behalf of said corporation and in the capacity therein stated.

Susanne B. Gruber  
Notary Public In And For  
The State Of New York

SUSANNE B. GRUBER  
NOTARY PUBLIC, State of New York  
No. 30 4761401  
Qualified to Notarize in Queens County  
Commission Expires 5/21/92

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FILE NO. 392615

EASEMENTS AND PERMITS

1. Pipeline Easement, dated March 23, 1978, from Hugh C. Jackson to Uni Pipe Line Inc., covering a portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.
2. Pipeline Easement, dated March 17, 1978, from Dorothy Gathings to Uni Pipe Line, Inc., covering a portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "T" of the Burton and Danforth Subdivision, San Patricio County, Texas.
3. Pipeline Easement, dated March 20, 1978, from Florence I. Duphorne to Uni Pipe Line, Inc., covering a portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.
4. Pipeline Resolution of the Commissioner's Court of San Patricio County, Texas, dated April 28, 1978, authorizing Uni Oil, Inc. to lay, construct, maintain and operate pipelines under, through, across and along certain public roads and highways.
5. Permit No. 1191, dated January 19, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni-Oil, pertaining to a pipeline across State Highway No. 361, San Patricio County, Texas.
6. Permit No. 1216, dated February 15, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipe Line, Inc., pertaining to a pipeline across F.M. No. 2725.
7. Perpetual 20' easement reserved in General Warranty Deed, dated May 8, 1984, from American Energy Leasing, Inc. ("Grantor") to A.C. Garrett, et al ("Grantees").
8. Perpetual 15' easement reserved in Warranty Deed, dated July 2, 1984, from American Energy Leasing, Inc. ("Grantor") to Central Power and Light Company ("Grantee").
9. Pipeline and valve station easement reserved in General Warranty Deed (With Vendor's Lien), dated March 30, 1984, from American Energy Leasing, Inc. ("Grantor") to J.D. Construction & Refinery Maintenance, Inc. ("Grantee").

392615

EXHIBIT "A"  
PAGE 1 OF 1

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FILE NO. 392615 COMPARED

*Imperial of Texas, Inc*  
*to*  
*National Oil Recovery Corp*

FILED FOR RECORD  
P 155 O'clock P M

DEC 11 1990

DOTTIE MALEY  
CLERK COUNTY COURT SAN PATRICK CO., TEX  
By *Janis Foster* Deputy  
A9

Janis Foster

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK (HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON BY ME AND WAS DULY RECORDED  
ON THE 11 DAY OF Dec 1990 FILE NO.  
392615 OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS  
DOTTIE MALEY  
COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS  
By *Janis Foster* DEPUTY

*Ret Norco*

Janis Foster

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FILE NO.

392614

ASSIGNMENT OF OPERATING PERMITS

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

KNOW ALL MEN BY THESE PRESENTS:

That Impexco of Texas, Inc., a Texas corporation ("Texas Impexco"), acting herein by and through its hereunto duly authorized President, for and in consideration of Ten And 00/100 Dollars (\$10.00) and other good and valuable consideration, does hereby bargain, grant, sell and convey unto National Oil Recovery Corporation, a Delaware corporation ("Norco"), its successors and assigns, all of Texas Impexco's rights, titles and interests in, to and under (i) Texas Air Control Board Permit No. R-6027 (Crude Oil Topping Plant and Barge Dock No. R-1 Ingleside, San Patricio County, Texas), Permit No. R-6625 (Crude Oil Topping Unit No. R-2 Ingleside, San Patricio County, Texas), (ii) Texas Department Of Water Resources Permit No. 02142, approved November 17, 1980, as renewed by Texas Water Commission Order, dated August 11, 1988, and (iii) Environmental Protection Agency National Pollutant Discharge System (NPDES) Permit No. TX0076635.

TO HAVE AND TO HOLD the above described operating permits unto Norco, its successors and assigns forever.

Norco, by its acceptance hereof, acknowledges that it, or its successors or assigns, must apply to the Texas Air Control Board, the Texas Water Commission and the Environmental Protection Agency for the transfer of the rights, titles and interests in, to and under the above described operating permits.

Additionally, Norco agrees to assume and timely discharge all of the obligations of the permittee under said operating permits from and after the date hereof only, and to indemnify and hold harmless Texas Impexco, its successors and assigns, from and against any and all claims, demands and/or causes of action in any way arising out of or related to said operating permits from and after the date hereof.

EXECUTED the 2nd day of MAY, 1990.

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FILE NO. 392614

IMPEXCO OF TEXAS, INC.

By: [Signature]  
Guy Bermes, President

ACCEPTED this 4 day of May, 1990.

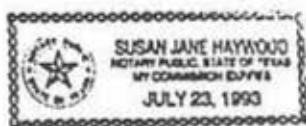
NATIONAL OIL RECOVERY CORPORATION

By: [Signature]  
Solfred Maizus, President

THE STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 3rd day of May, 1990, by Guy Bermes, President of Impexco of Texas, Inc., a Texas corporation, on behalf of said corporation and in the capacity therein stated.



[Signature]  
Notary Public In And For  
The State Of TEXAS

THE STATE OF NEW YORK

COUNTY OF QUEENS

This instrument was acknowledged before me on the 4th day of May, 1990, by Solfred Maizus, President of National Oil Recovery Corporation, a Delaware corporation, on behalf of said corporation and in the capacity therein stated.

[Signature]  
Notary Public In And For  
The State Of New York

392614

SUSANNE B. GRUBER  
NOTARY PUBLIC, State of New York  
No. 304761401  
Qualified in Nassau County  
Commission Expires 5/23/92 74915

05 021

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK

I, DOTTIE MALEY, County Clerk of San Patricio County, Texas, do hereby certify that the microfilm of the maps between the Title Page and the Certificate of Legality and Authenticity has been in strict accordance with Article 141(a), Vernon's Texas Civil Statutes, and that each map is a true, correct and exact copy of the map or paper of the identified instrument of writing, legal document, paper, or record which has been filed for record on the date and at the time stamped on each that no splice was made in the original negative film between the Title Page and this Certificate.

I do further certify that the preceding maps are part of the Official Public Records of Real Property of San Patricio County, Texas, ending with

File No. 392614 Page Identification No. 274916  
Witness my hand and seal of office, this the 14th day of December, 1990



*Dottie Maley*  
DOTTIE MALEY, County Clerk  
San Patricio County, Texas.

FILE NO. 392614

COMPARED

*Impexco of Texas, Inc.*

*JO*  
*National Oil Recovery Co.*

FILED FOR RECORD

DEC 11 1990

DOTTIE MALEY

CLERK COUNTY COURT SAN PATRICK CO., TEX.

By *Karen Land* Deputy #5

Karen Land

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT HAS BEEN FILED ON THE DATE AND  
TIME STAMPED HEREON TRUE AND HAS BEEN RECORDED  
ON THE 14th DAY OF December, 1990 FILE NO.  
392614  
OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS.  
BY *Karen Land* DOTTIE MALEY  
DEPUTY COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS

Karen Land

*Norco*  
*P.O. Box 270187*  
*C.C. Jones*  
*78427*

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FILE NO.

392613

ASSIGNMENT OF RIGHT OF WAY AND PERMIT

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

§  
§  
§

KNOW ALL MEN BY THESE PRESENTS:

That Impexco of Texas, Inc., a Texas corporation ("Texas Impexco"), acting herein by and through its hereunto duly authorized President, for and in consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration in hand paid by National Oil Recovery Corporation, a Delaware corporation ("Norco"), whose mailing address is 37-17 Bowne Street, Flushing, New York 11354, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby grant, transfer and assign to Norco, subject to the exceptions, disclaimers, reservations and agreements hereinafter set forth, all of Texas Impexco's rights, titles and interests in, to and under the following:

(1) Resolution of the City of Aransas Pass, Texas, dated November 7, 1977, granting H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the City of Aransas Pass, Texas; and Resolution of the Commissioners' Court of San Patricio County, Texas, dated November 14, 1977, granting to H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain, and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the County of San Patricio, Texas; which right of way grants and rights relating thereto were assigned by Assignment Of Right-Of-Way, dated January 23, 1978, from H & J Marine, Inc. to Uni Oil, Inc., and which right of way grants and rights relating thereto were assigned to Poda Management Est. by Assignment of Rights of Way and Permit, dated January 31, 1983, and filed for record in the Official Public Records of Real Property of San Patricio County, Texas, under San Patricio County Clerk's File #315281, to which Resolutions and the assignments thereof reference is hereby made for all purposes;

(2) Permit Number 1787, dated April 19, 1979, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipeline, Inc., pertaining to a pipeline through and under FM 1069 and FM 2725, San Patricio County, Texas, which

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FILE NO.

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Permit and the rights relating thereto were assigned to Poda Management Est. by Assignment of Rights of Way and Permit, dated January 31, 1983, above described, to which Permit and the assignment thereof reference is hereby made for all purposes; and

(3) Any and all pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property located on, in or under the above described easements and/or permits and/or used in connection therewith.

TO HAVE AND TO HOLD the above described right of way, permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, together with all and singular the rights and privileges appertaining thereto, unto Norco, its successors and assigns forever, subject to all of the following:

(1) Norco, by its acceptance of this Assignment, agrees to perform each and every, all and singular, the obligations contained in the above described right of way and/or permit from and after the date hereof. Norco also shall indemnify, defend and hold harmless Texas Impexco, its successors and assigns, from and against any and all claims, lawsuits, demands and/or causes of action of whatever nature without limitation, including but not limited to, the payment of all damages, expenses, costs and attorneys fees, asserted and/or brought by any person, firm, partnership, corporation or other legal entity, without limitation, and which claims, lawsuits, demands and/or causes of action are (i) related to in any way the above described right of way and/or permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property; (ii) caused by or arise in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of Norco, its agents, servants and/or employees; and (iii) caused by or arise in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of any other person, firm, partnership, corporation or other legal entity, without limitation, using, repairing, maintaining, replacing or in any other way involved with, with or without the express or implied permission of Norco, its agent, servants and/or employees, all or any portion of the above described right of way, permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or

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FILE NO. 392613

personal property, provided that any such claims, demands and/or causes of action are based upon facts, circumstances and/or events occurring after the date hereof.

(2) Norco, by its acceptance of this Assignment, acknowledges that the above described pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property are second-hand or used and that Norco accepts the same in their present condition and location "AS IS" AND "WHERE IS," AND THAT TEXAS IMPEXCO MAKES NO EXPRESS OR IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR ANY PURPOSE OR OTHERWISE REGARDING THE ABOVE DESCRIBED PIPE, PIPELINES, VALVES, METERING EQUIPMENT, PUMPS, IF ANY, AND/OR OTHER EQUIPMENT, FIXTURES OR PERSONAL PROPERTY.

EXECUTED the 2nd day of MAY, 1990.

IMPEXCO OF TEXAS, INC.

By: [Signature]  
Guy Bernier, President

ACCEPTED this 4 day of May, 1990.

NATIONAL OIL RECOVERY CORPORATION

By: [Signature]  
Solfred Matzus, President

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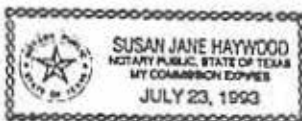
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392613

THE STATE OF TEXAS  
COUNTY OF HARRIS

FILE NO.

This instrument was acknowledged before me on the 3rd day of May, 1990, by Guy Bermes, President of Impexco of Texas, Inc., a Texas corporation, on behalf of said corporation and in the capacity therein stated.



Susan Jane Haywood  
Notary Public In And For  
The State Of TEXAS

THE STATE OF NEW YORK  
COUNTY OF QUEENS

This instrument was acknowledged before me on the 4th day of May, 1990, by Solfred Maizus, President of National Oil Recovery Corporation, a Delaware corporation, on behalf of said corporation and in the capacity therein stated.

Susanne B. Gruber  
Notary Public In And For  
The State Of New York

SUSANNE B. GRUBER  
NOTARY PUBLIC State of New York  
No. 35-4781401  
Qualified in Queens County  
Commission Expires 5/11/92

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FILE NO. / 392613 COMPARED

*Impexco of Texas, Inc.*  
*TO*  
*National Oil Recovery Corp.*

FILED FOR RECORD

DEC 11 1990

DOTTIE MALEY

CLERK COUNTY COURT SAN PATRICK CO. TEX

By *Ramond* Deputy

*Bill L...* *19.4*

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK  
(HEREBY CERTIFY)  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON BY ME AND WAS DULY RECORDED  
ON THE *11* DAY OF *December*, *90*, FILE NO.  
*392613*  
OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS.  
BY *Ramond* DOTTIE MALEY  
DEPUTY COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS

MISS LIND

*Harco*  
*P.O. Box 270187*  
*C.C., Tex 78427*

392613

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THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TITLE PAGE  
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

I, DOTTIE MALEY, County Clerk of San Patricio County, Texas, do hereby certify that the following images are part of the Official Public Records of Real Property of San Patricio County,

Texas, starting with File No. 392612 Image Identification No. 274903

WITNESS MY HAND AND SEAL OF OFFICE, this the 14th day of December, 19 90



*Dottie Maley*  
DOTTIE MALEY, County Clerk  
San Patricio County, Texas.

FILE NO.

392612

SPECIAL WARRANTY DEED

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

KNOW ALL MEN BY THESE PRESENTS:

That Impexco of Texas, Inc., a Texas corporation, acting herein by and through its hereunto duly authorized officers (herein called "Grantor"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) cash and other good and valuable consideration paid by National Oil Recovery Corporation, a Delaware corporation (herein called "Grantee"), whose mailing address is 37-17 Bowne Street, Flushing, Queens County, New York 11354, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does hereby GRANT, SELL and CONVEY unto Grantee, subject to the exceptions and reservations hereinafter set forth, the surface only of the certain 87.258 acres of land, more or less, situated in San Patricio County, Texas, and described in the Exhibit "A," attached hereto and made a part hereof for all purposes, together with all improvements located thereon.

This conveyance and the warranty hereinafter contained are made and accepted subject to the easements, rights-of-way and other matters of record described in Exhibit "B," attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the above described real property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors and assigns forever, and Grantor does hereby bind itself, its successors and assigns, to warrant and forever defend all and singular the above described real property unto Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise.

Ad valorem taxes for the current year are assumed by Grantee.

EXECUTED the 2nd day of MAY, 1990.

Impexco of Texas, Inc.

By: [Signature]  
Guy Holmes, President

392612

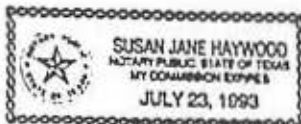
274903

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FILE NO 392612

THE STATE OF TEXAS  
COUNTY OF HARRIS

This instrument was acknowledged before me on the 30th day of May,  
1990, by Guy Bermes, President of Impexco of Texas, Inc., a Texas corporation, on behalf of said  
corporation and in the capacity therein stated.



Maria Ann Chappell  
Notary Public In And For  
The State Of TEXAS

392612

274904

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FILE NO. 392612

TRACT 1

FIELDNOTE DESCRIPTION of a portion of Lots 4 and 5, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southeasterly corner of said Lot 4, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot public roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 4, N 55° 23' 00" W, at 50.00 feet past the westerly right-of-way of said Farm-to-Market Road, in all 156.12 feet to the POINT OF BEGINNING of this tract;

THENCE, continuing along said centerline and boundary, N 55° 23' 00" W, 503.88 feet to the southwesterly corner of said Lot 5;

THENCE, along the westerly boundary of said Lot 5, N 34° 37' 00" E, at 20.00 feet past a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 685.00 feet to a brass monument in concrete found;

THENCE, S 55° 23' 00" E, 610.00 feet to a 5/8 inch iron rod set on the westerly right-of-way of said Farm-to-Market Road;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 501.25 feet to a 5/8 inch iron rod found;

THENCE, N 55° 23' 00" W, 106.12 feet to a 5/8 inch iron rod found;

THENCE, S 34° 37' 00" W, at 163.75 feet past a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 183.75 feet to the POINT OF BEGINNING.

CONTAINING 9.145 acres, more or less, of which 0.231 acre is in road right-of-way.

TRACT 2

FIELDNOTE DESCRIPTION in all of Lots 1 and 2, and a portion of Lot 3, Block N, AND a portion of Lots 1 and 2, Block M, AND all of Lot 4, Block II, AND a portion of Lot 4, Block JJ, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwesterly corner of said Lot 3, Block N, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the northerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

392612

EXHIBIT "A"  
PAGE 1 OF 2

274905

05 030

FILE NO. 392612

THENCE, along said easterly right-of-way, S 34° 37' 00" W, at 20.00 feet past a 5/8 inch iron rod set on the southerly right-of-way of said 40.00 foot roadway, at 1300.00 feet past a 5/8 inch iron rod set on the northerly right-of-way of a 40.00 foot roadway between Blocks M and N of said subdivision, in all 1320.00 feet to a 5/8 inch iron rod set on the southerly boundary of said Lot 3, Block N, being on the centerline of said 40.00 foot roadway.

THENCE, along said centerline and southerly boundary, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod set at the southeasterly corner of said Lot 3, Block N, being the northwesterly corner of Lot 2, Block M;

THENCE, along the westerly boundary of said Lot 2, S 34° 37' 00" W, at 20.00 feet past the southerly right-of-way of said 40.00 foot roadway, in all 660.00 feet to a 5/8 inch iron rod set;

THENCE, S 55° 23' 00" E, at 630.00 feet past the westerly right-of-way of a 60.00 foot roadway between Blocks M and JJ, at 660.00 feet past the centerline of said roadway and boundary between said Blocks M and JJ, in all 690.00 feet to a 5/8 inch iron rod found on the easterly right-of-way of said 60.00 foot roadway;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, 420.89 feet to a 5/8 inch iron rod found;

THENCE, S 57° 11' 36" E, 219.92 feet to a 5/8 inch iron rod found;

THENCE, N 36° 16' 05" E, 252.27 feet to a 5/8 inch iron rod found on the northerly right-of-way of a 40.00 foot roadway between Blocks JJ and II;

THENCE, along said northerly right-of-way, S 55°, 23' 00" E, 72.92 feet to a 5/8 inch iron rod set on the boundary between Lots 3 and 4, Block II;

THENCE, along said boundary, N 34° 37' 00" E, at 1280.00 feet past a 5/8 inch iron rod set on the southerly right-of-way of a 40.00 foot roadway between Blocks II and HH, in all 1300.00 feet to the centerline of said roadway, being the northeasterly corner of said Lot 4, Block II;

THENCE, along said centerline and the boundary between Blocks II and HH, and the boundary between Blocks N and O, N 55° 23' 00" W, 1270.00 feet to the POINT OF BEGINNING.

CONTAINING 50.113 acres, more or less, of which 4.070 acres is in road right-of-way.

TRACT 1

Lots 1, 2 and 3, Block II, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas.

392612

EXHIBIT "A"  
PAGE 2 OF 2

274906

05 031



FILE NO 392612

PERMITTED ENCUMBRANCES

1. Rights of mineral estate owners and to the rights of those that hold under them;
2. Easement, dated April 19, 1978, from Uni Oil, Inc. to Central Power and Light Company, recorded in Volume 886, Page 89, Deed Records, San Patricio County, Texas;
3. Road rights-of-way as shown on the Burton & Danforth Subdivision Map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas;
4. Easement, dated February 8, 1979, from Uni Oil Co. to Central Power and Light Company, recorded in Volume 807, Page 299, Deed Records, San Patricio County, Texas;
5. Agreement, dated February 2, 1965, from Brashear-Irwin Industries, Inc. to T.L. Bishop, recorded in Volume 311, Page 124, Deed Records, San Patricio County, Texas;
6. Term and conditions of reservation of fee title to one certain fresh water line along with easement relative thereto as set out in Deed, dated June 22, 1968, from Brashear Industries, Inc. to L.V. Elliott, Trustee, recorded in Volume 372, Page 161, Deed Records, San Patricio County, Texas;
7. Assignment Of Covenant to extend channel, dated October 25, 1977, from Mark P. Banjavich, et al, to T. Michael Hajecate, et al, recorded in Volume 567, Page 469, Deed Records, San Patricio County, Texas;
8. Right-of-way, dated July 15, 1952, from Conn Brown to United Gas Pipe Line Company, recorded in Volume 176, Page 485, Deed Records, San Patricio County, Texas;
9. Right-of-way, dated September 23, 1953, from E.D. Richmond, et al, to Sunray Mid-Continent Oil Company, recorded in Volume 297, Page 283, Deed Records, San Patricio County, Texas;
10. Right-of-way, dated March 16, 1962, from E.D. Richmond, Jr., et al, to the State of Texas, recorded in Volume 276, Page 109, Deed Records, San Patricio County, Texas; and
11. Right-of-way, dated July 3, 1934, from R.K. Coleman to San Patricio County, recorded in Volume 105, Page 497, Deed Records, San Patricio County, Texas.

392612

EXHIBIT "B"  
PAGE 1 OF 1

274907

05 032

FILE NO. 392612 COMPARED

*Impexco of Texas, Inc.*  
14

*National Oil Recovery Corp.*

FILED FOR RECORD

DEC 11 1990

DOTTIE MALEY  
CLERK COUNTY COURT SAN PATRICK CO., TEX  
By *Ruth Ford* Deputy

Kalied Land

8/1.40

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON BY ME AND WAS DULY RECORDED  
ON THE 11 DAY OF December 1990. FILE NO.  
392612 OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS  
DOTTIE MALEY  
COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS  
BY *Karen Land* DEPUTY

1-22 1231

*Return to:*

*Naco*

*P.O. Box 270187*

*C.C., Texas 78427*

392612

274908

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FILE NO

387471

ASSIGNMENT OF EASEMENTS AND PERMITS

THE STATE OF TEXAS

§

COUNTY OF SAN PATRICIO

§

KNOW ALL MEN BY THESE PRESENTS

§

That AMERICAN ENERGY LEASING, INC., a Delaware corporation, (hereinafter called "Assignor"), by and through Gary J. Knostman, Post Office Drawer 837, Fulton Beach, Texas 78358, acting herein solely in his capacity as Trustee of the Estate of American Energy Leasing, Inc., a Delaware corporation, the Debtor in Case No. 89-07342-H2-7 which is pending in the United States Bankruptcy Court, Southern District of Texas, Houston Division, for and in consideration of Ten and No/100 Dollars and other good and valuable consideration in hand paid by IMPEXCO OF TEXAS, INC., a Texas corporation, (hereinafter referred to as "Assignee") whose address is C/O Steelhammer & Kendrick, P.C., Three Riverway, Suite 700, Houston, TX 77056-1909, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby grant, transfer and assign to Assignee, subject to the exceptions, disclaimers, reservations and agreements hereinafter set forth, all of Assignor's rights, titles and interests in, to and under the following:

(1) The easements and permits described in Exhibit "A," attached hereto and made a part hereof for all purposes; and

(2) Any and all pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property located on, in or under the above described lease, easements and/or permits and/or used in connection therewith.

TO HAVE AND TO HOLD the above described easements and permits, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, together with all and singular the rights and privileges appertaining thereto, unto Assignee, its successors and assigns forever, subject to all of the following:

(1) Assignee, by its acceptance of this Assignment, agrees to perform each and every, all and singular, the obligations contained in the above described easements and/or permits from and after the date hereof. Assignee also shall indemnify, defend and hold harmless Assignor, its successors and assigns, from and against any and all claims, lawsuits, demands and/or causes of action of whatever nature without limitation, including but not limited to, the payment of all damages, expenses, costs and attorneys fees, asserted and/or brought by any person, firm,

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partnership, corporation or other legal entity without limitation, and which claims, lawsuits, demands and/or causes of action are (i) related to in any way the above described easements and/or permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property; (ii) caused by or arise in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of Assignee, its agents, servants and/or employees; and (iii) caused by or arising in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of any other person, firm, partnership, corporation or other legal entity without limitation using, repairing, maintaining, replacing or in any other way involved with, with or without the express or implied permission of Assignee, its agents, servants and/or employees, all or any portion of the above described easements and/or permits, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, provided that any such claims, demands and/or causes of action are based upon facts, circumstances and/or events occurring after the date hereof.

(2) Assignee, by its acceptance of this Assignment, acknowledges that the above described pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property, covered by this assignment, are second-hand or used and that Assignee accepts the same subject to the following:

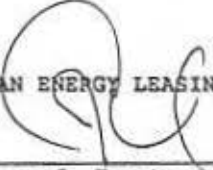
THE PROPERTY IS "AS IS", "WHERE IS", WITH ALL FAULTS, AND WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND BY ASSIGNOR, WHETHER EXPRESS, IMPLIED, STATUTORY, QUASI-STATUTORY OR OTHERWISE. ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY WITH SAMPLES BEING EXPRESSLY DISCLAIMED. THIS SALE IS MADE FURTHER SUBJECT TO ANY AND ALL MATTERS OF RECORD, INCLUDING, BUT NOT LIMITED TO, THOSE MADE PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW OR REGULATION. ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO COMPLIANCE OR CONFORMITY WITH ANY LAWS, RULES, AGREEMENTS OR SPECIFICATIONS, OR WITH RESPECT TO CONDITION, QUALITY, CAPACITY, DESIGN, OPERATION, FREEDOM FROM INFRINGEMENT OF ANY PATENT, COPYRIGHT, OR TRADEMARK OR OTHER PROPRIETARY RIGHT, ABSENCE OF ANY LATENT DEFECTS OR ANY OTHER WARRANTY OR REPRESENTATION WHATSOEVER WITH THE RESPECT TO THE PROPERTY, ALL OF WHICH ARE EXPRESSLY WAIVED BY THE ASSIGNEE. ASSIGNEE AGREES THAT ALL DISCLAIMERS OF WARRANTY SHALL BE CONSTRUED LIBERALLY IN FAVOR OF THE ASSIGNOR.

FILE NO. 387471

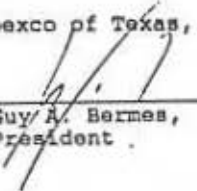
By acceptance of delivery of the property which is the subject of this Assignment, the Assignee acknowledges that the Assignee has either examined such property as fully as desired, or has been given the opportunity for such examination and has declined to make such examination.

Dated May 1, 1990.

Assignor: AMERICAN ENERGY LEASING, INC.

By:   
Gary J. Knostman, Trustee  
for the Estate of American  
Energy Leasing, Inc.  
Post Office Drawer 837  
Fulton Beach, Texas 78358

Assignee: Impexco of Texas, Inc.

By:   
Guy A. Bermes,  
President

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I, DOTIE NALLEY, County Clerk of San Patricio County, Texas, do hereby certify that the following images are part of the Official Public Records of Real Property of San Patricio County,

Texas, starting with File No. 387471 (Index Identification No. 255818)

WITNESS MY HAND AND SEAL OF OFFICE, THIS 17th 4th day of May, 1990



*Dotie Nalley*  
DOTIE NALLEY, County Clerk  
San Patricio County, Texas.

FILE NO:

387471

EASEMENTS AND PERMITS

1. Pipeline Easement, dated March 23, 1978, from Hugh C. Jackson to Uni Pipe Line Inc., covering a portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

2. Pipeline Easement, dated March 17, 1978, from Dorothy Gathings to Uni Pipe Line, Inc., covering a portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "T" of the Burton and Danforth Subdivision, San Patricio County, Texas.

3. Pipeline Easement, dated March 20, 1978, from Florence I. Duphorne to Uni Pipe Line, Inc., covering a portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

4. Pipeline Resolution of the Commissioner's Court of San Patricio County, Texas, dated April 28, 1978, authorizing Uni Oil, Inc. to lay, construct, maintain and operate pipelines under, through, across and along certain public roads and highways.

5. Permit No. 1191, dated January 19, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni-Oil, pertaining to a pipeline across State Highway No. 361, San Patricio County, Texas.

6. Permit No. 1216, dated February 15, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipe Line, Inc., pertaining to a pipeline across F.M. No. 2725.

7. Perpetual 20' easement reserved in General Warranty Deed, dated May 8, 1984, from American Energy Leasing, Inc. ("Grantor") to A.C. Garrett, et al ("Grantees").

8. Perpetual 15' easement reserved in Warranty Deed, dated July 2, 1984, from American Energy Leasing, Inc. ("Grantor") to Central Power and Light Company ("Grantee").

9. Pipeline and valve station easement reserved in General Warranty Deed (With Vendor's Lien), dated March 30, 1984, from American Energy Leasing, Inc. ("Grantor") to J.D. Construction & Refinery Maintenance, Inc. ("Grantee").

AELI.EXJ

EXHIBIT "A"

387471

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FILE NO. 387471 COMPARED

*Co. of American Energy Leasing, Inc*  
to  
*Imperial of Texas, Inc*

FILED FOR RECORD

at 11:50 AM

MAY 03 1990

DOTTIE MALEY

CLERK COUNTY COURT SAN PATRICK CO. TEX.

Janis Foerster

\$11.00

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON, AND WAS DULY RECORDED  
ON THE 3 DAY OF May 1990 FILE NO.  
387471 OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS.  
DOTTIE MALEY  
COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS  
DEPUTY  
Janis Foerster

*Att: Robert Steelhammer*  
*3 Riverway Ste 200*  
*Houston Tex 77056*

387471

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ASSIGNMENT OF RIGHT OF WAY AND PERMIT

FILE NO 387470

THE STATE OF TEXAS

§

§ KNOW ALL MEN BY THESE PRESENTS

§

COUNTY OF SAN PATRICIO

§

That AMERICAN ENERGY LEASING, INC., a Delaware corporation, (hereinafter called "Assignor"), by and through Gary J. Knostman, Post Office Drawer 827, Fulton Beach, Texas 78358, acting herein solely in his capacity as Trustee of the Estate of American Energy Leasing, Inc., a Delaware corporation, the Debtor in Case No. 89-07342-H2-7 which is pending in the United States Bankruptcy Court, Southern District of Texas, Houston Division, for and in consideration of Ten and No/100 Dollars and other good and valuable consideration in hand paid by IMPEXCO OF TEXAS, INC., a Texas corporation, whose address is C/O Steelhammer & Kendrick, P.C., Three Riverway, Suite 700, Houston, Texas 77056-1909, hereinafter referred to as "Assignee", the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby sell, assign, transfer, convey, set over and deliver unto Assignee, subject to the exceptions, disclaimers, reservations and agreements hereinafter set forth, all of Assignor's rights, titles and interests in, to and under the following:

(1) Resolution of the City of Aransas Pass, Texas, dated November 7, 1977, granting H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the City of Aransas Pass, Texas; and Resolution of the Commissioners' Court of San Patricio County, Texas, dated November 14, 1977, granting to H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain, and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the County of San Patricio, Texas; which right of way grants and rights relating thereto were assigned by Assignment Of Right-Of-Way, dated January 23, 1978, from H & J Marine, Inc. to Uni Oil, Inc., and which right of way grants and rights relating thereto were assigned to Poda by Assignment of Rights of Way and Permit, dated January 31, 1983, and filed for record in the Official Public Records of Real Property of San Patricio County, Texas, under San Patricio County Clerk's File #315281, to which Resolutions and the assignments thereof reference is hereby made for all purposes;

(2) Permit Number 1787, dated April 19, 1979, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipeline, Inc., pertaining to a pipeline through and under FM 1069 and FM 2725, San Patricio County, Texas, which Permit and the rights relating thereto were assigned to Poda by Assignment of Rights of Way and

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File No 387470

Permit, dated January 31, 1983, above described, to which Permit and the assignment thereof reference is hereby made for all purposes; and

(3) Any and all pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property located on, in or under the above described lease, easements and/or permits and/or used in connection therewith.

TO HAVE AND TO HOLD the above described right of way, permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, together with all and singular the rights and privileges appertaining thereto, unto Assignee, its successors and assigns forever, subject to all of the following:

(1) Assignee, by its acceptance of this Assignment, agrees to perform each and every, all and singular, the obligations contained in the above described rights of way and/or permits from and after the date hereof. Assignee also shall indemnify, defend and hold harmless Assignor, its successors and assigns, from and against any and all claims, lawsuits, demands and/or causes of action of whatever nature without limitation, including but not limited to, the payment of all damages, expenses, costs and attorneys fees, asserted and/or brought by any person, firm, partnership, corporation or other legal entity without limitation, and which claims, lawsuits, demands and/or causes of action are (i) related to in any way the above described right of way and/or permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property; (ii) caused by or arise in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of Assignee, its agents, servants and/or employees; and (iii) caused by or arise in any manner out of the intentional conduct, active or passive negligence, or strict or product liability on the part of any other person, firm, partnership, corporation or other legal entity without limitation using, repairing, maintaining, replacing or in any other way involved with, with or without the express or implied permission of Assignee, its agents, servants and/or employees, all or any portion of the above described right of way, permit, pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures, or personal property, provided that any such claims, demands and/or causes of action are based upon facts, circumstances and/or events occurring after the date hereof.

(2) Assignee, by its acceptance of this Assignment, acknowledges that the above described pipe, pipelines, valves, metering equipment, pumps, if any, and/or other equipment, fixtures or personal property are second-hand or used and that

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FILE NO 387470

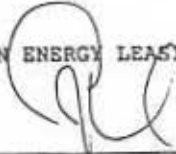
Assignee accepts the same in their present condition and location, "AS IS", "WHERE IS", WITH ALL FAULTS, AND WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND BY ASSIGNOR, WHETHER EXPRESS, IMPLIED, STATUTORY, QUASI-STATUTORY OR OTHERWISE. ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY WITH SAMPLES BEING EXPRESSLY DISCLAIMED. THIS SALE IS MADE FURTHER SUBJECT TO ANY AND ALL MATTERS OF RECORD, INCLUDING, BUT NOT LIMITED TO, THOSE MADE PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW OR REGULATION. ASSIGNOR MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO COMPLIANCE OR CONFORMITY WITH ANY LAWS, RULES, AGREEMENTS OR SPECIFICATIONS, OR WITH RESPECT TO CONDITION, QUALITY, CAPACITY, DESIGN, OPERATION, FREEDOM FROM INFRINGEMENT OF ANY PATENT, COPYRIGHT, OR TRADEMARK OR OTHER PROPRIETARY RIGHT, ABSENCE OF ANY LATENT DEFECTS OR ANY OTHER WARRANTY OR REPRESENTATION WHATSOEVER WITH THE RESPECT TO THE PROPERTY, ALL OF WHICH ARE EXPRESSLY WAIVED BY THE ASSIGNEE. ASSIGNEE AGREES THAT ALL DISCLAIMERS OF WARRANTY SHALL BE CONSTRUED LIBERALLY IN FAVOR OF THE ASSIGNOR.

By acceptance of delivery of the property which is the subject of this Assignment, the Assignee acknowledges that the Assignee has either examined such property as fully as desired, or has been given the opportunity for such examination and has declined to make such examination.

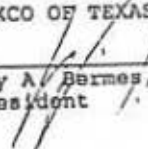
This conveyance is without warranty, of title, either expressed or implied, but, to the extent permitted by 11 U.S.C. §363 Assignor conveys and Assignee takes title to the property conveyed herein, free and clear of all liens, claims and encumbrances.

Dated May 1, 1990.

Assignor: AMERICAN ENERGY LEASING, INC.

By:   
Gary J. Knostman, Trustee  
for the Estate of American  
Energy Leasing, Inc.  
Post Office Drawer 837  
Fulton Beach, Texas 78358

Assignee: IMPEXCO OF TEXAS, INC.

By:   
Guy A. Bernes,  
President

387470

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) (

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 1st day of May, 1990.

) (
) (
) (

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**387470**

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COMPARED

FILE NO. 387470

*American Energy Leasing, Inc.*

*Impresso of Texas, Inc.*

FILED FOR RECORD

M. 2:39 P.M. A M

MAY 03 1990

DOTTIE MALEY

CLERK COUNTY COURT SAN PATRICK CO., TEX.

By *Karen Land* Deputy

Karen Land

*\$9.00*

STATE OF TEXAS  
COUNTY OF SAN PATRICK  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME SPECIFIED HEREIN BY ME AND HAS BEEN RECORDED  
ON THE 3 DAY OF May 1990 FILE NO.  
387470 OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS.  
BY *Karen Land* COUNTY CLERK  
DEPUTY  
COUNTY, TEXAS

Karen Land

Return:

*Robert Steelhammer*

387470

255813

FILE NO:

387469

ASSIGNMENT OF OPERATING PERMITS

THE STATE OF TEXAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF SAN PATRICIO

That AMERICAN ENERGY LEASING, INC., a Delaware corporation, (hereinafter called "Assignor"), by and through Gary J. Knostman, Post Office Drawer 837, Fulton Beach, Texas 78358, acting herein solely in his capacity as Trustee of the Estate of American Energy Leasing, Inc., a Delaware corporation, the Debtor in Case No. 89-07342-H2-7 which is pending in the United States Bankruptcy Court, Southern District of Texas, Houston Division, for and in consideration of Ten and No/100 Dollars and other good and valuable consideration in hand paid by IMPEXCO OF TEXAS, INC., a Texas corporation, (hereinafter referred to as "Assignee") whose address is C/O Steelhammer & Kendrick, P.C., Three Riverway, Suite 700, Houston, TX 77056-1909 the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby grant, transfer and assign to sell and convey unto Assignee, its successors and assigns, all of Assignor's rights, titles and interests in, to and under (i) Texas Air Control Board Permit No. R-6027 (Crude Oil Topping Plant and Barge Dock No. R-1 Ingleside, San Patricio County, Texas), Permit No. R-6625 (Crude Oil Topping Unit No. R-2 Ingleside, San Patricio County, Texas), (ii) Texas Department Of Water Resources Permit No. 02142, approved November 17, 1980, as renewed by Texas Water Commission Order, dated August 11, 1988, and (iii) Environmental Protection Agency National Pollutant Discharge System (NPDES) Permit No. TX0076635.

TO HAVE AND TO HOLD the above described easements and permits unto Assignee, its successors and assigns forever.

Assignee by its acceptance hereof, acknowledges that it, or its successors or assigns, must apply to the Texas Air Control Board, the Texas Water Commission and the Environmental Protection Agency for the transfer of the rights, titles and interests in, to and under the above described permits.

Additionally, Assignee agrees to assume and timely discharge all of the obligations of the permittee under said permits from and after the date hereof only, and to indemnify and hold harmless Assignor, its successors and assigns, from and against any and all claims, demands and/or causes of action in any way arising out of or related to said permits from and after the date hereof.

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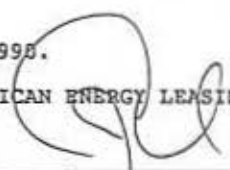
FILE NO

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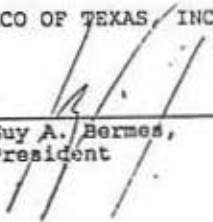
This conveyance is without warranty, of title, either expressed or implied, but, to the extent permitted by 11 U.S.C. §363 Assignor conveys and Assignee takes title to the property conveyed herein, free and clear of all liens, claims and encumbrances.

Dated May 1, 1998.

Assignor: AMERICAN ENERGY LEASING, INC.

By:   
Gary J. Knostman, Trustee  
for the Estate of American  
Energy Leasing, Inc.  
Post Office Drawer 837  
Fulton Beach, Texas 78358

Assignee: IMPEXCO OF TEXAS, INC.

By:   
Guy A. Bernes,  
President

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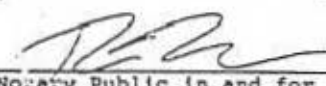


FILE NO 387169

STATE OF TEXAS        )  
                              )  
COUNTY OF HARRIS    )

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared GARY J. KNOTSMAN, TRUSTEE OF THE ESTATE OF AMERICAN ENERGY LEASING, INC., the Trustee pursuant to Chapter 11 of Title 11, United States Code, of AMERICAN ENERGY LEASING, INC., a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

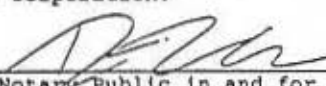
IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 1st day of May, 1990.

  
Notary Public in and for  
the State of Texas



STATE OF TEXAS        )  
                              )  
COUNTY OF HARRIS    )

This instrument was acknowledged before me on May 2, 1990 by Guy A. Bermes, the President, of Impexco Of Texas, Inc. a Texas corporation, on behalf of said corporation.

  
Notary Public in and for  
the State of Texas



FILE NO. 387169 COMPARED

*American Energy Leasing, Inc.*  
26  
*Impexco of Texas, Inc.*

FILED FOR RECORD

MAY 03 1990

MAY 03 1990

DO THE MALEY  
CLERK COUNTY CLERK HARRIS CO. TEX.  
By *Karen Gay* Deputy

255808

*Robert Steelhammer*

387169  
MAY 19 1990  
KAREN GAY  
COUNTY CLERK  
HARRIS COUNTY TEXAS

387463

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FILE NO

387168

BILL OF SALE

THE STATE OF TEXAS

COUNTY OF SAN PATRICIO

KNOW ALL MEN BY THESE PRESENTS

That AMERICAN ENERGY LEASING, INC., a Delaware corporation, (hereinafter called "Seller"), by and through Gary J. Knostman, Post Office Drawer 827, Fulton Beach, Texas 78358, acting herein solely in his capacity as Trustee of the Estate of American Energy Leasing, Inc., a Delaware corporation, the Debtor in Case No. 89-07342-H2-7 which is pending in the United States Bankruptcy Court, Southern District of Texas, Houston Division, for and in consideration of Ten and No/100 Dollars, to the undersigned paid, the receipt and sufficiency of which are hereby acknowledged and confessed, does hereby sell, assign, transfer, convey, let over and deliver unto IMPEXCO OF TEXAS, INC., a Texas corporation, (hereinafter referred to as "Purchaser") whose address is C/O Steelhammer & Kendrick, P.C., Three Riverway, Suite 700, Houston, TX 77056-1909, subject to the disclaimers herein contained, all of the (i) personal property, fixtures and/or equipment described in Exhibit "B," attached hereto and made a part hereof for all purposes, and (ii) the pipes, pipelines, and valve station located on or under the land, described in Exhibit "A" which is attached hereto and made a part hereof.

TO HAVE AND TO HOLD the above described personal property, fixtures and/or equipment, pipes, pipeline and valve station hereby conveyed unto Purchaser, its successors and assigns, forever.

This bill of sale is given by Seller and accepted by Purchaser with the understanding that the above described personal property, fixtures and/or equipment, pipes, pipelines and valve station are second-hand or used, and that such property is accepted subject to all matters set forth herein.

THE SALE OF THE PROPERTY IS "AS IS", "WHERE IS", WITH ALL FAULTS, AND WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND BY SELLER, WHETHER EXPRESS, IMPLIED, STATUTORY, QUASI-STATUTORY OR OTHERWISE. ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY WITH SAMPLE BEING EXPRESSLY DISCLAIMED. THIS SALE IS MADE FURTHER SUBJECT TO ANY AND ALL MATTERS OF RECORD, INCLUDING, BUT NOT LIMITED TO, THOSE MADE PURSUANT TO THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW OR REGULATION. SELLER MAKES NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO COMPLIANCE OR CONFORMITY WITH ANY LAWS, RULES, AGREEMENTS OR SPECIFICATIONS, OR WITH RESPECT TO CONDITION, QUALITY, CAPACITY, DESIGN, OPERATION, FREEDOM FROM INFRINGEMENT OF ANY PATENT, COPYRIGHT, OR TRADEMARK OR OTHER PROPRIETARY RIGHT, ABSENCE OF ANY LATENT DEFECTS OR ANY OTHER WARRANTY OR REPRESENTATION WHATSOEVER WITH RESPECT TO THE

PROPERTY, ALL OF WHICH ARE EXPRESSLY WAIVED BY THE PURCHASER. PURCHASER AGREES THAT ALL DISCLAIMERS OF WARRANTY SHALL BE

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FILE NO 387468

CONSTRUED LIBERALLY IN FAVOR OF THE SELLER.

By acceptance of delivery of the Property, the Purchaser acknowledges that the Purchaser has either examined the Property as fully as desired, or has been given the opportunity for such examination and has refused to make such examination.

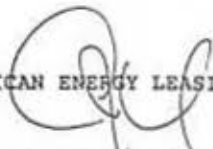
This is a final and exclusive expression of the agreement of the Seller and the Purchaser and no course of dealing or trade custom shall be relevant to explain or supplement any term expressed in this agreement.

This agreement shall be governed and construed in accordance with the laws of the State of Texas.

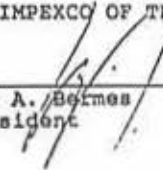
This conveyance is without warranty, of title, either expressed or implied, but, to the extent permitted by 11 U.S.C. § 363 Seller conveys and Purchaser takes title to the property conveyed herein, free and clear of all liens, claims and encumbrances.

Dated May 1, 1990.

Seller: AMERICAN ENERGY LEASING, INC.

By:   
Gary J. Knostman, Trustee  
for the Estate of American  
Energy Leasing, Inc.  
Post Office Drawer 837  
Fulton Beach, Texas 78358

Purchaser: IMPEXCO OF TEXAS, INC.

By:   
Guy A. Bormes  
President

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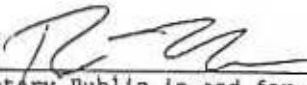
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FILE NO: 387468

STATE OF TEXAS        )  
                              )  
COUNTY OF HARRIS     )

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared GARY J. KNOSTMAN, TRUSTEE OF THE ESTATE OF AMERICAN ENERGY LEASING, INC., the Trustee pursuant to Chapter 11 of Title 11, United States Code, of AMERICAN ENERGY LEASING, INC., a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

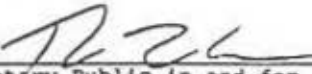
IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 1st day of May, 1990.

  
\_\_\_\_\_  
Notary Public in and for  
the State of Texas



STATE OF TEXAS        )  
                              )  
COUNTY OF HARRIS     )

This instrument was acknowledged before me on May 2, 1990 by Guy A. Bermes, the President, of Impexco of Texas, Inc., a Texas corporation, on behalf of said corporation.

  
\_\_\_\_\_  
Notary Public in and for  
the State of Texas



AELI.EXI

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REFINERY SITE

FILE NO: 387468

TRACT 1

FIELDNOTE DESCRIPTION of a portion of Lots 4 and 5, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southeasterly corner of said Lot 4, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot public roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 4, N 55° 23' 00" W, at 50.00 feet past the westerly right-of-way of said Farm-to-Market Road, in all 156.12 feet to the POINT OF BEGINNING of this tract;

THENCE, continuing along said centerline and boundary, N 55° 23' 00" W, 503.88 feet to the southwesterly corner of said Lot 5;

THENCE, along the westerly boundary of said Lot 5, N 34° 37' 00" E, at 20.00 feet past a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 685.00 feet to a brass monument in concrete found;

THENCE, S 55° 23' 00" E, 610.00 feet to a 5/8 inch iron rod set on the westerly right-of-way of said Farm-to-Market Road;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 501.25 feet to a 5/8 inch iron rod found;

THENCE, N 55° 23' 00" W, 106.12 feet to a 5/8 inch iron rod found;

THENCE, S 34° 37' 00" W, at 163.75 feet past a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 183.75 feet to the POINT OF BEGINNING.

CONTAINING 9.145 acres, more or less, of which 0.231 acre is in road right-of-way.

TRACT 2

FIELDNOTE DESCRIPTION in all of Lots 1 and 2, and a portion of Lot 3, Block N, AND a portion of Lots 1 and 2, Block M, AND all of Lot 4, Block II, AND a portion of Lot 4, Block JJ, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

EXHIBIT A  
Page 1 of 3

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FILE NO

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COMMENCING at the northwesterly corner of said Lot 3, Block N, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the northerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, S 34° 37' 00" W, at 20.00 feet past a 5/8 inch iron rod set on the southerly right-of-way of said 40.00 foot roadway, at 1300.00 feet past a 5/8 inch iron rod set on the northerly right-of-way of a 40.00 foot roadway between Blocks M and N of said subdivision, in all 1320.00 feet to a 5/8 inch iron rod set on the southerly boundary of said Lot 3, Block N, being on the centerline of said 40.00 foot roadway.

THENCE, along said centerline and southerly boundary, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod set at the southeasterly corner of said Lot 3, Block N, being the northwesterly corner of Lot 2, Block M;

THENCE, along the westerly boundary of said Lot 2, S 34° 37' 00" W, at 20.00 feet past the southerly right-of-way of said 40.00 foot roadway, in all 660.00 feet to a 5/8 inch iron rod set;

THENCE, S 55° 23' 00" E, at 630.00 feet past the westerly right-of-way of a 60.00 foot roadway between Blocks M and JJ, at 660.00 feet past the centerline of said roadway and boundary between said Blocks M and JJ, in all 690.00 feet to a 5/8 inch iron rod found on the easterly right-of-way of said 60.00 foot roadway;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, 420.89 feet to a 5/8 inch iron rod found;

THENCE, S 57° 11' 36" E, 219.92 feet to a 5/8 inch iron rod found;

THENCE, N 36° 16' 05" E, 252.27 feet to a 5/8 inch iron rod found on the northerly right-of-way of a 40.00 foot roadway between Blocks JJ and II;

THENCE, along said northerly right-of-way, S 55°, 23' 00" E, 72.92 feet to a 5/8 inch iron rod set on the boundary between Lots 3 and 4, Block II;

THENCE, along said boundary, N 34° 37' 00" E, at 1280.00 feet past a 5/8 inch iron rod set on the southerly right-of-way of a 40.00 foot roadway between Blocks II and HH, in all 1300.00 feet to the centerline of said roadway, being the northeasterly corner of said Lot 4, Block II;

EXHIBIT A  
Page 2 of 3

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FILE NO 387168

THENCE, along said centerline and the boundary between Blocks II and HH, and the boundary between Blocks N and O, N 55° 23' 00" W, 1270.00 feet to the POINT OF BEGINNING.

CONTAINING 50.113 acres, more or less, of which 4.070 acres is in road right-of-way.

TRACT 3

Lots 1, 2 and 3, Block II, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas.

EXHIBIT A  
Page 3 of 3

387168

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FILE NO: 387468

#### REFINERY EQUIPMENT

A. A refinery located in Ingleside, Texas, on 87.258 acres of land, more or less, and consisting of the following processing units and facilities:

A complete 10,000 or 12,000 b/d atmospheric crude distillation unit, including 3 side strippers, distillate treating facilities and cooling tower.

A complete 30,000 b/d atmospheric crude distillation unit, including 4 side strippers, diesel stream filter - coalescer and salt dryer and off-gas compressor and caustic treater, distillate treating facilities and cooling tower.

A complete 20,000 b/d vacuum distillation unit, including cooling tower.

A complete 15,000 b/d naphtha stabilizer.

Boiler house 20,000 lb/hr.

Firewater system, including 200 HP diesel driven firewater pump

Waste water treatment system

Tankage consisting of 31 tanks with a total capacity of approximately 1,179,250 barrels and transfer pumps.

Two (2) truck loading racks, together with all facilities thereto.

Control House complete with all instrument panels installed.

B. Laboratory equipment consisting of the following:

Fisher Model 1200 Gas Partitioner with Omni-Scribe recorder

Princeton Gamma Tech Model 100 Chemical Analyzer (Sulfur Mach.) w/ Anadex Model DP-500 Printer

L-X Heating Hydrometer Cylinders (2)

Vapor Pressure Bath Unit

Fisher Model 13-449 Colorimeter, ASTM D-1500

Fisher/Tag, Ser. No. 113, Saybolt Chronometer

Precision Scientific Cat. No. 74731 Distillation Machine (4)

Fisher/Tag Model 13407 Flash Point Apparatus

EXHIBIT "B"  
PAGE 1 OF 3

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THE STATE OF TEXAS  
COUNTY OF SAN PATRICK

TITLE PAGE  
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

I, DOTIE HALEY, County Clerk of San Patricio County, Texas, do hereby certify that the following images are part of the Official Public Records of Real Property of San Patricio County,

TEXAS, beginning with File No. 387468 INSM Identification No. 255804

WITNESS MY HAND AND SEAL OF OFFICE, this 4th day of May, 1990



*Dotie Haley*  
DOTIE HALEY, County Clerk  
San Patricio County, Texas.

NOT 387468

Koehler Instrument Co. Smoke Point Apparatus (Set A)  
Precision Scientific Cat. No. 74700 Salt and Crude Analyzer  
Fisher Model 315 Thermix Stirring Hot Plate  
Lab-Line Instruments Model No. 1405 Kwik-Set Lab-Chron Timer  
Fisher/Tag Ser. No. 1392 Saybolt Viscosimeter, ASTM D-88  
Precision Scientific Cat. No. 74944 Temp-Trol Viscosity Bath  
Koehler Model No. 10-399 LPG Corrosion Bath  
Labconco Stainless Steel Glassware Washer  
Vacuum Distillation Apparatus w/Vacuum Pump and (2) heating elements  
Koehler sample warmer, water by distillation  
Depentanization Apparatus  
Fisher Model No. 350 Isotemp Oven  
Corning No. 125 pH Meter  
Bausch & Lomb Model No. 33-46-10 Refractometer  
Bausch & Lomb Model No. 33-22-01 Spectronic 21  
Fisher/Tag Ser. No. 1503 Tag Closed Meter, ASTM D-56  
GRA/Lab Model No. 171 Universal Timer  
M-6D Aqua Still Model No. M-6D, Ser. No. CD-631  
Oceanography Int'l. Ampulmatic Model No. 1300  
Dayton Electric Model No. 32394B Speedair Compressor  
Miscellaneous consumable laboratory supplies

C. All spare parts, inventory and tools presently located in or on the 87.258 acres of land described in paragraph A., above, or stored or located on the premises owned, leased or in any other way controlled by American Energy Leasing, Inc. or Spartan Resources, Inc. or any affiliated person, partnership, corporation or other legal entity thereof.

D. In addition to the processing units and facilities specifically described in paragraph A., above, the refinery shall also include the following:

EXHIBIT "B"  
PAGE 2 OF 3

387468

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FILE NO: 387468

Flare system including "knock out" drum  
Kerosine Clay Tower  
Instrument Air Compressor with dryer  
Control Building with Control Panels  
Pump House with switch gear room

E. All plans, drawings, operating manuals, financial and operating records, if any, pertaining to the Refinery described in paragraph A, above.

FILE NO: 387468 COMPARED  
*American Energy Leasing, Inc.*  
*SD*  
*Impenco of Texas, Inc.*

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON BY ME AND WAS DULY RECORDED  
ON THE 3 DAY OF May 1990 FILE NO.  
**387468** OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS  
BY Karen Land DOTTIE MALEY  
COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS

FILED FOR RECORD

at 2:30 o'clock A M

MAY 03 1990

DOTTIE MALEY  
CLERK COUNTY COURT SAN PATRICK CO., TEX  
By Karen Land Deputy  
Karen Land

*\$19.00*

*Robert Stee hammer*

EXHIBIT "B"  
PAGE 3 OF 3

387468

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FILE NO: 387467

DEED

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

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S KNOW ALL MEN BY THESE PRESENTS  
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S

That AMERICAN ENERGY LEASING, INC., a Delaware corporation, (hereinafter called "Grantor"), by and through Gary J. Knostman, Post Office Drawer 827, Fulton Beach, Texas 78358, acting herein solely in his capacity as Trustee of the Estate of American Energy Leasing, Inc., a Delaware corporation, the Debtor in Case No. 89-07342-H2-7 which is pending in the United States Bankruptcy Court, Southern District of Texas, Houston Division, for and in consideration of Ten and No/100 Dollars, to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery by Grantee of two certain Promissory Notes of even date herewith, in the principal sum of \$3,700,000.00 and \$1,000,000.00, respectively, payable to the order of Grantor and bearing interest as therein provided, containing the usual clauses providing for acceleration of maturity and for attorney's fees, the payment of said notes is secured by the Vendor's Lien herein retained and is additionally secured by a Deed of Trust of even date herewith to LARRY G. MYERS, Trustee, and other good and valuable consideration in hand paid by IMPEXCO OF TEXAS, INC., a Texas corporation, (hereinafter referred to as "Grantee") whose address is C/O Steelhammer & Kendrick, P.C., Three Riverway, Suite 700, Houston,

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THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TITLE PAGE  
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

I, DOTTIE HALEY, County Clerk of San Patricio County, Texas, do hereby certify that the following shades are part of the Official Public Records of Real Property of San Patricio County, Texas, starting with File No. 387467 and ending with File No. 255791

Witness my hand and seal of office, this 4th day of May, 1990



*Dottie Haley*  
DOTTIE HALEY, COUNTY CLERK  
SAN PATRICIO COUNTY, TEXAS

FILE NO 387167

TX 77056-1909, the receipt and sufficiency of which are hereby acknowledged and confessed, has GRANTED, SOLD and CONVEYED, and by these presents does hereby GRANT, SELL and CONVEY unto Grantee, subject to the exceptions and reservations hereinafter set forth, the surface only of the certain 87.258 acres of land, more or less, situated in San Patricio County, Texas, and described in the Exhibit "A," attached hereto and made a part hereof for all purposes, together with all improvements located thereon.

This conveyance is made and accepted subject to the terms of all contracts, instruments or other matters of record in San Patricio County, Texas, which are applicable to the subject property, but only to the extent the same are valid, binding, enforceable against the subject property.

To the extent transferrable, the benefit of and the right to enforce the covenants and warranties, if any, that Grantor is entitled to enforce with respect to the subject property against Grantor's predecessors in title thereto.

TO HAVE AND TO HOLD the above described real property, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee, its successors and assigns forever.

Notwithstanding any provisions herein contained to the contrary, this conveyance is made by Grantor and accepted by Grantee without warranty of title, expressed or implied, or any other warranty, and without representation by Grantor with respect to the validity, effectiveness or continuation of any lease, right-of-way, permit or other determinable estate under any instrument

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FILE NO 387467

creating or evidencing an asset, property, right or interest held by Grantor and affected by this conveyance, and no warranty or representation, express or implied, is made by Grantor with respect to the fitness, condition or suitability of any fixture or other personal property affected hereby and the same are accepted by Grantee "as is", "where is" and with all faults. The above notwithstanding Grantor hereby warrants that the subject property is assigned and sold free and clear of liens, claims and encumbrances to the extent permitted by 11 U.S.C. § 363, except those as set out or referred to herein.

But it is expressly agreed that the Vendor's Lien, as well as the Superior Title in and to the above-described premises is retained against the above-described property, premises and improvements until the above-described notes and all interest thereon is fully paid according to the face, tenor, effect and reading thereof when this Deed shall become absolute and to additionally secure the payment of the above-described Promissory Notes and indebtedness, the Grantee has executed and delivered a Deed of Trust of even date herewith, conveying the subject property to THOMAS W. GRAVES, Trustee.

Ad valorem taxes for the current year have been prorated and are assumed by Grantee.

Dated May 1, 1990.

GRANTOR:

AMERICAN ENERGY LEASING, INC.

By:

Gary J. Knostman, Trustee of  
the Estate of American  
Energy Leasing, Inc.

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FILE NO. 387467

STATE OF TEXAS        )  
                          )  
COUNTY OF HARRIS     )(

Before me, the undersigned, a Notary Public in and for said County and State, on this day personally appeared GARY J. KNOTSMAN, TRUSTEE OF THE ESTATE OF AMERICAN ENERGY LEASING, INC., the Trustee pursuant to Chapter 11 of Title 11, United States Code, of AMERICAN ENERGY LEASING, INC., a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 1st day of May, 1990.

  
\_\_\_\_\_  
Notary Public in and for  
the State of Texas



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FILE NO. 387467

REFINERY SITE

TRACT 1

FIELDNOTE DESCRIPTION of a portion of Lots 4 and 5, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southeasterly corner of said Lot 4, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot public roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 4, N 55° 23' 00" W, at 50.00 feet past the westerly right-of-way of said Farm-to-Market Road, in all 156.12 feet to the POINT OF BEGINNING of this tract;

THENCE, continuing along said centerline and boundary, N 55° 23' 00" W, 503.88 feet to the southwesterly corner of said Lot 5;

THENCE, along the westerly boundary of said Lot 5, N 34° 37' 00" E, at 20.00 feet past a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 685.00 feet to a brass monument in concrete found;

THENCE, S 55° 23' 00" E, 610.00 feet to a 5/8 inch iron rod set on the westerly right-of-way of said Farm-to-Market Road;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 501.25 feet to a 5/8 inch iron rod found;

THENCE, N 55° 23' 00" W, 106.12 feet to a 5/8 inch iron rod found;

THENCE, S 34° 37' 00" W, at 163.75 feet past a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 183.75 feet to the POINT OF BEGINNING.

CONTAINING 9.145 acres, more or less, of which 0.231 acre is in road right-of-way.

TRACT 2

FIELDNOTE DESCRIPTION in all of Lots 1 and 2, and a portion of Lot 3, Block N, AND a portion of Lots 1 and 2, Block M, AND all of Lot 4, Block II, AND a portion of Lot 4, Block JJ, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

EXHIBIT A  
Page 1 of 3

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05 060

FILE NO. 387467

COMMENCING at the northwesterly corner of said Lot 3, Block N, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the northerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, S 34° 37' 00" W, at 20.00 feet past a 5/8 inch iron rod set on the southerly right-of-way of said 40.00 foot roadway, at 1300.00 feet past a 5/8 inch iron rod set on the northerly right-of-way of a 40.00 foot roadway between Blocks M and N of said subdivision, in all 1320.00 feet to a 5/8 inch iron rod set on the southerly boundary of said Lot 3, Block N, being on the centerline of said 40.00 foot roadway.

THENCE, along said centerline and southerly boundary, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod set at the southeasterly corner of said Lot 3, Block N, being the northwesterly corner of Lot 2, Block M;

THENCE, along the westerly boundary of said Lot 2, S 34° 37' 00" W, at 20.00 feet past the southerly right-of-way of said 40.00 foot roadway, in all 660.00 feet to a 5/8 inch iron rod set;

THENCE, S 55° 23' 00" E, at 630.00 feet past the westerly right-of-way of a 60.00 foot roadway between Blocks M and JJ, at 660.00 feet past the centerline of said roadway and boundary between said Blocks M and JJ, in all 690.00 feet to a 5/8 inch iron rod found on the easterly right-of-way of said 60.00 foot roadway;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, 420.89 feet to a 5/8 inch iron rod found;

THENCE, S 57° 11' 36" E, 219.92 feet to a 5/8 inch iron rod found;

THENCE, N 36° 16' 05" E, 252.27 feet to a 5/8 inch iron rod found on the northerly right-of-way of a 40.00 foot roadway between Blocks JJ and II;

THENCE, along said northerly right-of-way, S 55°, 23' 00" E, 72.92 feet to a 5/8 inch iron rod set on the boundary between Lots 3 and 4, Block II;

THENCE, along said boundary, N 34° 37' 00" E, at 1280.00 feet past a 5/8 inch iron rod set on the southerly right-of-way of a 40.00 foot roadway between Blocks II and HH, in all 1300.00 feet to the centerline of said roadway, being the northeasterly corner of said Lot 4, Block II;

EXHIBIT A  
Page 2 of 3

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FILE NO. 387-167

THENCE, along said centerline and the boundary between Blocks II and HH, and the boundary between Blocks N and O, N 55° 23' 00" W, 1270.00 feet to the POINT OF BEGINNING.

CONTAINING 50.113 acres, more or less, of which 4.070 acres is in road right-of-way.

TRACT 3

Lots 1, 2 and 3, Block II, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas.

*deed*

FILE NO. 387-167 COMPANEL

*Co. of American Energy Leasing, Inc.*

*to*

*Imperial of Texas, Inc.*

FILED FOR RECORD

*4:30* *check A* M

MAY 03 1990

DOTIE MALEY

CLERK COUNTY COURT SAN PATRICIO CO. TEX.

*James Foster* Deputy

*\$15.00*

Janis Foerster

*Return to  
Robert Steelhammer  
3 Riverway, Suite 700  
Houston, Texas 77056*

EXHIBIT A  
Page 3 of 3

387467

255796

05 062

TRUSTEE'S DEED

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, by that certain Deed Of Trust And Security Agreement (the "Deed Of Trust"), dated November 30, 1985, recorded under the San Patricio County Clerk's File No. 344362 of the Official Records of Real Property of San Patricio County, Texas, to which reference is hereby made for all purposes, Falcon Refining Company, as Grantor, conveyed to Richard F. Bergner, Trustee, the certain property (real, personal and/or mixed) situated in San Patricio County, Texas, and described on Exhibit "A," attached hereto and made a part hereof for all purposes, together with all buildings and improvements located thereon, said property (real, personal and/or mixed) described in said Exhibit "A," together with all buildings and improvements located thereon, being herein collectively referred to as the "Property");

WHEREAS, the Deed Of Trust secures the payment of the indebtedness evidenced by that certain (i) promissory note, dated November 30, 1985, in the original principal sum of Three Hundred Seventy-Six Thousand Nine Hundred Ninety-Five And No/100 Dollars (\$376,995.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc., and (ii) promissory note, dated November 30, 1985, in the original principal sum of Two Million Two Hundred Thousand And No/100 Dollars (\$2,200,000.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc., and any and all other indebtedness secured by and described in the Deed Of Trust, the above described two (2) promissory notes being herein collectively referred to as the "Notes," reference being hereby made to the Notes for all purposes; and

WHEREAS, the indebtedness evidenced by the Notes has matured, and the entire unpaid principal balance and interest remains due and payable, and American Energy Leasing, Inc. requested said Trustee to enforce the trust and exercise the rights, titles, powers and duties contained in the Deed Of Trust, including, but not limited to, the sale of the Property; and

WHEREAS, said Trustee, in compliance with the request of American Energy Leasing, Inc. and in accordance with law, did give legal notice of Trustee's Sale by posting Notice Of Trustee's Sale, dated September 14, 1987, for the time and in the manner

provided in the Deed Of Trust and in accordance with law, as is stated in the Affidavit Of Posting attached hereto as Exhibit "B," and made a part hereof for all purposes, and did offer the Property for sale at public auction at the door of the Courthouse in San Patricio County, Texas in the City of Sinton, Texas, on the 6th day of October, 1987, same being the first Tuesday in said month, between the hours of 10:00 a.m. and 4:00 p.m. to the highest bidder, for cash; and

WHEREAS, as is stated in the Affidavit Of Recording, attached hereto as Exhibit "C," and made a part hereof for all purposes, said Notice Of Trustee's Sale, dated September 14, 1987, was also filed in the Office of the County Clerk of San Patricio County, Texas, as required by law; and

WHEREAS, as is stated in the Affidavit Of Service, attached hereto as Exhibit "D," and made a part hereof for all purposes, American Energy Leasing, Inc., the holder of the Notes, and the beneficiary under the Deed Of Trust, served written notice of said Trustee's sale by certified mail, at least twenty-one (21) days before the date of said sale, on each debtor who, according to the records of American Energy Leasing, Inc., was obligated to pay the indebtedness evidenced by the Notes as required by law; and

WHEREAS, I, Richard F. Bergner, as Trustee under the Deed Of Trust, did on the 6th day of October, 1987, after there having been posted written notice of the time, place and terms of the public sale of the Property, which written notice was posted at the Courthouse door of San Patricio County, Texas, the county in which said Property is situated, and which notice was posted for at least twenty-one (21) days preceeding the date of sale, did sell the Property, at public vendue, at the Courthouse door of San Patricio County, Texas, to American Energy Leasing, Inc., it being the highest bidder, for cash in the sum of Three Million Six Hundred Thousand And No/100 Dollars (\$3,600,000.00); and

WHEREAS, all prerequisites required by law and/or the Deed Of Trust have been duly satisfied by the beneficiary therein and by the said Trustee.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that I, Richard F. Bergner, Trustee under the Deed Of Trust, as aforesaid, by virtue of the power and authority invested in and conferred upon me in the Deed Of Trust, for and in consideration of the premises and the sum of Three Million Six Hundred Thousand And No/100 Dollars (\$3,600,000.00) cash to me in hand paid by American Energy Leasing, Inc., receipt of which is hereby fully acknowledged and confessed, by these presents does hereby GRANT,

SELL and CONVEY unto the said American Energy Leasing, Inc., whose mailing address is No. 100 West Tenth Street, Wilmington, Delaware 19801, all and singular the Property.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto American Energy Leasing, Inc., its successors and assigns, forever, in fee simple; and I, Richard F. Bergner, Trustee under the Deed Of Trust, do hereby bind the said Falcon Refining Company, its successors and assigns, to warrant and forever defend the Property unto said American Energy Leasing, Inc., its successors and assigns, forever, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED the 7th day of October, 1987, but effective for all purposes as of October 6th, 1987.

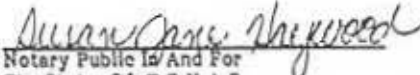
  
RICHARD F. BERGNER, Trustee

THE STATE OF TEXAS §  
COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared Richard F. Bergner, Trustee, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 7th day of October, 1987.



  
Notary Public In And For  
The State Of TEXAS

Please Return To:  
Richard F. Bergner  
Attorney At Law  
5718 Westheimer, Suite 700  
Houston, Texas 77057

SUSAN JANE HAYWOOD  
Notary Public In and for the State of Texas  
My Commission Expires 7-23-88

364191

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05 065

CORPUS CHRISTI, TEXAS 78418  
PHONE: (512) 844-0281  
TELEX: 76-7629



BRANCHES HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

RECORDING INFORMATION  
As the time of recording this instrument was found to be  
conformable with the best and proper practice, and  
no other person or persons were present at the time of  
recording, the undersigned hereby certifies that the  
instrument was duly and lawfully recorded.

October 10, 1984

Job No. C 19,597

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TRACT 1

FIELDNOTE DESCRIPTION of a portion of Lots 4 and 5, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southeasterly corner of said Lot 4, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot public roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 4, N 55° 23' 00" W, at 50.00 feet pass the westerly right-of-way of said Farm-to-Market Road, in all 156.12 feet to the POINT OF BEGINNING of this tract;

THENCE, continuing along said centerline and boundary, N 55° 23' 00" W, 503.88 feet to the southwesterly corner of said Lot 5;

THENCE, along the westerly boundary of said Lot 5, N 34° 37' 00" E, at 20.00 feet pass a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 685.00 feet to a brass monument in concrete found;

THENCE, S 55° 23' 00" E, 610.00 feet to a 5/8 inch iron rod set on the westerly right-of-way of said Farm-to-Market Road;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 501.25 feet to a 5/8 inch iron rod found;

THENCE, N 55° 23' 00" W, 105.12 feet to a 5/8 inch iron rod found;

THENCE, S 34° 37' 00" W, at 163.75 feet pass a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 163.75 feet to the POINT OF BEGINNING.

CONTAINING 9.145 acres, more or less, of which 0.231 acre is in road right-of-way.

MAVERICK ENGINEERING COMPANY

BY: Michael Huss  
Michael Huss  
Registered Public Surveyor  
Texas No. 2033



Witness

THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

SEAL OF THE STATE OF TEXAS  
OFFICE OF THE COMMISSIONER OF REAL ESTATE

I, DUTIE HALEY, County Clerk of San Patricio County, Texas, do hereby certify that a  
recording of the above described instrument was made in the County Clerk's Office and that  
the same has been in strict accordance with Article 1581a, Chapter 158, Texas Statutes, and that  
each page is a true, correct and exact copy of the original instrument as the same was  
presented to me for recording, and that the same was duly and lawfully recorded in the  
public records of said County, Texas, on the 10th day of October, 1984, at the time and  
place stated in said instrument, and that no objection was made to the recording of said  
instrument at the time of its recording.

I do further certify that the recording of said instrument was made in the public records of  
said County, Texas, in strict accordance with the provisions of Article 1581a, Chapter 158,  
Texas Statutes.

FILE NO. 364191 INDEXED IN VOLUME 168561  
RECORDED IN THE PUBLIC RECORDS OF THE 9th DAY OF October 1984



James M. Haley  
County Clerk  
San Patricio County, Texas

364191

168561

EXHIBIT "A"  
OF 10

05 066



THE STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TITLE PAGE  
OFFICIAL PUBLIC RECORD OF REAL ESTATE

TO: DUTTE MALLI, County Clerk of San Patricio County, Texas, do hereby certify that the following number and date of the Official Public Record of Real Property of San Patricio County.

TRACT, STRIPS WITH TOWN No. 364191, Deed Certification No. 168562  
WITNESSE ME AND MY SEAL TO THESE, ANALYST, 9th day of October 1987



*Dutte Malli*  
COUNTY CLERK  
SAN PATRICIO COUNTY, TEXAS

KAO CHANCELLER  
P.O. BOX 7747  
CORPUS CHRISTI, TEXAS 78411  
PHONE: (512) 844-0281  
TELEX: 267249



CORPORATE OFFICES  
CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

Job No. C 19,597

October 10, 1984

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TRACT 2

FIELDNOTE DESCRIPTION of all of Lots 1 and 2, and a portion of Lot 3, Block K, AND a portion of Lots 1 and 2, Block M, AND all of Lot 4, Block JJ, AND a portion of Lot 4, Block JJ, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwesterly corner of said Lot 3, Block K, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks K and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the northerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, S 34° 37' 00" W, at 20.00 feet pass a 5/8 inch iron rod set on the southerly right-of-way of said 40.00 foot roadway, at 1300.00 feet pass a 5/8 inch iron rod set on the northerly right-of-way of a 40.00 foot roadway between Blocks K and N of said subdivision, in all 1320.00 feet to a 5/8 inch iron rod set on the southerly boundary of said Lot 3, Block K, being on the centerline of said 40.00 foot roadway;

THENCE, along said centerline and southerly boundary, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod set at the southeasterly corner of said Lot 3, Block K, being the northwesterly corner of Lot 2, Block M;

THENCE, along the westerly boundary of said Lot 2, S 34° 37' 00" W, at 20.00 feet pass the southerly right-of-way of said 40.00 foot roadway, in all 660.00 feet to a 5/8 inch iron rod set;

THENCE, S 55° 23' 00" E, at 630.00 feet pass the westerly right-of-way of a 60.00 foot roadway between Blocks K and JJ, at 660.00 feet pass the centerline of said roadway and boundary between said Blocks K and JJ, in all 690.00 feet to a 5/8 inch iron rod found on the easterly right-of-way of said 60.00 foot roadway;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, 420.69 feet to a 5/8 inch iron rod found;

THENCE, S 57° 11' 36" E, 219.92 feet to a 5/8 inch iron rod found;

THENCE, N 36° 16' 05" E, 252.27 feet to a 5/8 inch iron rod found on the northerly right-of-way of a 40.00 foot roadway between Blocks JJ and II;

36-1191

168562

EXHIBIT "A"  
PAGE 1 OF 2

05 067



October 10, 1984

TRACT 2 (CONTINUED)

FILE NO. 364191

THENCE, along said northerly right-of-way, S 55° 23' 00" E, 72.92 feet to a 5/8 inch iron rod set on the boundary between Lots 3 and 4, Block 11;

THENCE, along said boundary, N 34° 37' 00" E, at 1280.00 feet pass a 5/8 inch iron rod set on the southerly right-of-way of a 40.00 foot roadway between Blocks 11 and 14, in all 1300.00 feet to the centerline of said roadway, being the northeasterly corner of said Lot 4, Block 11;

THENCE, along said centerline and the boundary between Blocks 11 and 14, and the boundary between Blocks 14 and 15, N 55° 23' 00" W, 1270.00 feet to the POINT OF BEGINNING.

CONTAINING 50.113 acres, more or less, of which 4.070 acres is in road right-of-way.

MAVERICK ENGINEERING COMPANY

RECORDING INSTRUCTIONS  
As the State of Texas is a party to the Survey, the Surveyor is required to file a copy of the Survey with the County Clerk of the County in which the Survey is made. The Surveyor is also required to file a copy of the Survey with the County Clerk of the County in which the Survey is made. The Surveyor is also required to file a copy of the Survey with the County Clerk of the County in which the Survey is made.

BY:

*Michael Haas*

Michael Haas  
Registered Public Surveyor  
Texas No. 2033



MCH:ms

364191

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EXHIBIT "A"  
PAGE 5 OF 40

05 068

A. A refinery located in Ingleside, Texas, on 59.258 acres of land, more or less, and consisting of the following processing units and facilities:

- A complete 10,000 or 12,000 b/d atmospheric crude distillation unit, including 3 side strippers, distillate treating facilities and cooling tower
- A complete 30,000 b/d atmospheric crude distillation unit, including 4 side strippers, diesel stream filter - coalescer and salt dryer and off-gas compressor and caustic treater, distillate treating facilities and cooling tower.
- A complete 20,000 b/d vacuum distillation unit, including cooling tower.
- A complete 15,000 b/d naphtha stabilizer
- Boiler house 20,000 lb/hr
- Firewater system, including 200 HP diesel driven firewater pump
- Waste water treatment system
- Tankage consisting of 31 tanks with a total capacity of approximately 1,179,250 barrels and transfer pumps
- Barge loading facilities and dock, including air operated hydraulic cranes, flexible hoses, meters, and air eliminators, as well as packaged boiler, together with all other allied assets
- Two (2) truck loading racks, together with all facilities thereto

B. Laboratory equipment located in the metallic building adjacent to the two-story office building, at the intersection of FM 2725 and Bishop Road, San Patricio County, Texas, and consisting of the following:

- Fisher Model 1200 Gas Partitioner with Omit-Scribe recorder
- Princeton Gamma Tech Model 100 Chemical Analyzer (Sulfur Mach.) w/Anadex Model DP-500 Printer
- L-X Heating Hydrometer Cylinders (2)
- Vapor Pressure Bath Unit
- Fisher Model 13-445 Colorimeter, ASTM D-1500
- Fisher/Tag, Ser. No. 113, Saybolt Chronometer
- Precision Scientific Cat. No. 74731 Distillation Machine (4)
- Fisher/Tag Model 13417 Flash Point Apparatus
- Koehler Instrument Co. Smoke Point Apparatus (Jet A)
- Precision Scientific Cat. No. 74700 Salt and Crude Analyzer
- Fisher Model 315 Thermo Stirring Hot Plate
- Lab-Line Instruments Model No. 1405 Kwik-Set Lab-Chron Timer
- Fisher/Tag Ser. No. 1397 Saybolt Viscosimeter, ASTM D-88
- Precision Scientific Cat. No. 74944 Temp-Trol Viscosity Bath
- Koehler Model No. 1C-399 LPG Corrosion Bath
- Labconco Stainless Steel Glassware Washer

168564

364191

EXHIBIT "A" XX

Vacuum Distillation Apparatus w/Vacuum Pump and (2) heating elements  
Kochler sample warmer, water by distillation  
Depentanization Apparatus ("poddlelnat")  
Fisher Model No. 350 Isotemp Oven  
Corning No. 125 pH Meter  
Bausch & Lomb Model No. 33-46-10 Refractometer  
Bausch & Lomb Model No. 33-22-01 Spectronic 21  
Fisher/Tag Ser. No. 1503 Tag Closed Meter, ASTM D-56  
GRA/Lab Model No. 171 Universal Timer  
M-6D Aqua Still Model No. M-6D, Ser. No. CD-621  
Oceanography Int'l. Anpumatic Model No. 1360  
Dayton Electric Model No. 323XB Speedair Compressor  
Miscellaneous consumable laboratory supplies

C. All spare parts, inventory and tools presently located in or on the 59.258 acres of land described in Paragraph A. above and/or in or on the two-story office building and/or metallic building described in Paragraph B. above.

D. In addition to the processing units and facilities specifically described in Paragraph A. above, the refinery shall also include the following:

Flare system including "knock out" drum  
Kerosine Clay Tower  
Instrument Air Compressor with dryer  
Control Building with Control Panels  
Pump House with switch gear room

Leases, Easements and Permits

1. Lease Agreement dated March 26, 1979, from Coast Materials, Inc., as Lessor, to Uni Pipeline Company, as Lessee, covering the following described land situated in San Patricio County, Texas:

Being located on Red Fish Bay and BEGINNING at a point in the centerline of Ocean Drive, at 80 foot roadway opposite the Southeast corner of Lot Two (2), Bay Block Eight (8), as shown by map prepared by P. L. Telford dated December 9, 1909 and recorded in the Map Records of Aransas County, Texas, in Volume 1 at pages 62-63, a certified photostatic copy of which is filed in the Deed Records of San Patricio County, Texas, in Volume 152 at page 1, said point being in the Southeasterly projection of the South line of said Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 17° 16' 57" E., 345.7 feet along the centerline of Ocean Drive to a corner;

THENCE, N. 15° 24' 14" E., 349.46 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 18° 04' 37" E., 344.24 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 29° 15' E., 331.45 feet along said centerline of Ocean Drive to the Northwest corner of this tract;

THENCE, S. 55° 23' E., 270.01 feet with the Southeasterly projection of the North line of Lot Three (3), Bay Block Seven (7) of said subdivision to the shore of Red Fish Bay for the Northeast corner of this tract;

THENCE, with the shore of Red Fish Bay, S. 30° 06' 42" W., 331.02 feet;

THENCE, continuing with said shoreline, S. 32° 32' 03" W., 330.02 feet;

THENCE, along said shoreline, S. 32° 17' 15" E., 59.81 feet;

THENCE, along said shoreline, S. 16° 46' 10" W., 308.88 feet to a corner of this tract;

THENCE, along said shoreline, S. 23° 50' 07" W., 340.40 feet to the Southeast corner of this tract in the Southeasterly projection of the South line of Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 55° 23' W., 170.01 feet along said projection of the South line of said Lot Two (2) to the POINT OF BEGINNING, SAVE AND EXCEPT the East one-half (1/2) of Ocean Drive, an 80 foot roadway dedicated to the public use as such, containing 6.764 acres (including roadway), more or less, 5.505 acres, more or less, excluding one-half (1/2) roadway;

SAVE AND EXCEPT, however, the following:

Beginning at a point in the center line of Ocean Drive where the center line of Sunray Road, a forty (40') foot county road, crosses said center line of Ocean Drive as shown by Burton and Danforth Subdivision map recorded in Vol. 1 at pages 62-63 of the map records of Aransas County, Texas, a certified photostatic copy of which is recorded in the Deed Records of San Patricio County, Texas, in Vol. 152, at page 1,

THENCE N. 18 deg. 4 min. 37 sec. East, 156.47 ft. along the center line of said Ocean Drive, an 80-foot roadway to the Northwest corner of this tract;

THENCE S. 55 deg. 25 min. East 218.55 feet to the shoreline of Redfish Bay for the Northeast corner of this tract;

THENCE S. 32 deg. 32 min. 3 sec. West, 150.1 feet with the shoreline of Redfish Bay;

THENCE S. 23 deg. 17 min. 15 sec. East, 59.47 feet along the shoreline;

THENCE S. 16 deg. 46 min. 10 sec. West, 308.88 feet along the shoreline;

THENCE S. 23 deg. 50 min. 7 sec. West, 340.40 feet along the shore to the Southeast corner of this tract;

THENCE N. 55 deg. 23 min. West, 170.17 feet to the Southwest corner in the center line of Ocean Drive;

THENCE N. 17 deg. 16 sec. 57 min. East, 345.70 feet with the center line of Ocean Drive to a corner;

THENCE N. 15 deg. 24 min. 14 sec. East, 349.46 feet along the center line of Ocean Drive to the point of beginning, containing 3.74 acres, save and except the East one-half (1/2) of Ocean Drive embraced within the above metes and bounds.

2. Pipeline Easement dated March 23, 1978, from Hugh C. Jackson to Uni Pipe Line Inc., covering a portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

3. Pipeline Easement dated March 17, 1978, from Dorothy Cathings to Uni Pipe Line, Inc., covering a portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "I" of the Burton and Danforth Subdivision, San Patricio County, Texas.

4. Pipeline Easement dated March 20, 1978, from Florence I. Duphorne to Uni Pipe Line, Inc., covering a portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

364191

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EXHIBIT "A"  
PAGE 7 OF 22

05 072





CHANCELLER RDW  
BOX 7747  
P.O. CHRISTI, TEXAS 78413  
TEL: (512) 834-0281  
TX: 757659



CORPORATE OFFICE  
CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

October 18, 1984

Job No. C 19,597

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

DESCRIPTION of a ~~pipeline~~ pipeline easement across a portion of Lots 1, 2 and 3, Block 11, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwest corner of said Lot 3, being on the centerline of a 40.00 foot roadway between Blocks 11 and 111, said subdivision;

THENCE, along the common boundary between Lots 3 and 4, said Block 11, S 34° 37' 00" W, 20.00 feet to the southerly right-of-way of said 40.00 foot roadway, for the POINT OF BEGINNING of this easement;

THENCE, along said southerly right-of-way, S 55° 23' 00" E, 960.00 feet to the westerly right-of-way of a 60.00 foot roadway between Blocks 11 and 9 of said subdivision;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 73.50 feet;

THENCE, N 55° 23' 00" W, 960.00 feet to the common boundary between said Lots 3 and 4, Block 11;

THENCE, along said common boundary, N 34° 37' 00" E, 73.50 feet to the POINT OF BEGINNING.

MAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033



MH:ms

364191

168569

EXHIBIT "A"  
PAGE 9 OF 20

05 074

October 10, 1984

FILE NO. 364191

Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410  
Attn: Mr. Daniel H. Billman, President

Gentlemen:

Please make reference to that certain Earnest Money Contract dated September 24, 1984, between American Energy Leasing, Inc., a Delaware corporation ("Seller") and Billman Homes, Inc., a Texas corporation ("Purchaser"), covering 2.25 acres, more or less, out of Farm Lot 3, Land Block "O," Barton and Danforth Subdivision, San Patricio County, Texas, and all improvements thereon (the "Earnest Money Contract").

Simultaneously with the execution and delivery of this Letter Agreement, American Energy Leasing, Inc., one of the undersigned, has executed and delivered to Billman Homes, Inc., a General Warranty Deed covering the land referenced in the Earnest Money Contract and more particularly described by metes and bounds in the Exhibit "A," attached hereto and made a part hereof for all purposes (the "Land"), together with all improvements located on the Land.

The improvements located on the Land are a two-story prefabricated concrete building (the "Concrete Building") and a one-story metal building (the "Metal Building"), the location of which are outlined in a survey plat of the Land marked Exhibit "B" attached hereto and made a part hereof for all purposes.

Article V, Paragraph (A) of the Earnest Money Contract provides as follows:

**"V. LEASE AND FURNITURE AND EQUIPMENT.**

**(A) Lease:**

As part of the consideration for Seller conveying the Land to Purchaser, Purchaser agrees to lease to Seller, MidGulf Energy, Inc., or either of their assigns, at no cost or expense to Seller, MidGulf Energy, Inc. or either of their assigns, for a period of twenty-four (24) months, beginning the first day of the month immediately following the Closing (as herein defined) and ending twenty-four (24) full calendar months thereafter, the following:

(i) Three (3) contiguous executive offices, now located in the northwest corner on the ground floor of the two-story office and storage building located on and being a part of the Land (herein called the "Three Offices"); and

(ii) The area in the metal building located on and being a part of the Land in which Seller's laboratory is now located and as much of the remaining storage area in said metal building as Seller reasonably needs to store spare parts, tools,

ED  
L.H.B.

364191

165570

EXHIBIT "A"  
PAGE 10 OF 20

05 075



equipment and/or supplies relative to Seller's refinery located across Bishop Road from the Land.

Purchaser, however, shall have the right, at any time during said twenty-four (24) month period, to require Seller, MidGulf Energy, Inc. or either of their assigns to vacate the Three Offices upon reasonable notice and by making available, at Purchaser's sole cost and expense, executive offices comparable in size and quality, including, but not limited to, air conditioning and lighting, in either the two-story building or the metal building described above."

The purpose of this Letter Agreement is to implement and supplement the provisions of Article V, Paragraph (A) of the Earnest Money Contract, as follows:

(1) Lease: Billman Homes, Inc. ("Billman") does hereby lease to MidGulf Energy, Inc. ("MidGulf"), and MidGulf does hereby lease from Billman, (i) three contiguous executive offices located in the northwest corner on the ground floor of the Concrete Building and as outlined in red on the said Exhibit "B" (the "Three Offices"), (ii) the area in the Metal Building in which a laboratory is now located and as much of the remaining storage area in the Metal Building as MidGulf reasonably needs to store spare parts, tools, equipment and/or supplies relative to the refinery located across Bishop Road from the Land (the "Metal Building Space") and (iii) five (5) parking spaces adjacent to the Concrete Building and/or the Metal Building (the "Parking Spaces").

(2) Term: The term of this Lease Agreement shall begin on the date hereof and shall terminate on October 31, 1986, unless otherwise extended by mutual agreement.

(3) Rent: For the term of this Lease Agreement, MidGulf shall have no rental obligation to Billman, it being understood that part of the consideration for the conveyance by American Energy Leasing, Inc. to Billman of the Land and the improvements located thereon includes, but is not limited to, the lease of the Three Offices, the Metal Building Space and the Parking Spaces to MidGulf at no rental cost to MidGulf.

(4) Use: MidGulf shall have the right to use the Three Offices and the Metal Building Space for any lawful purpose.

(5) Relocation: Billman shall have the right at any time during the term of this Lease Agreement to require MidGulf to vacate the Three Offices upon reasonable notice and by making available, at Billman's sole cost and expense, executive offices comparable in size and quality to the Three Offices, including, but not limited to, air conditioning and lighting, in either the Concrete Building or the Metal Building.

(6) MidGulf's Covenants: MidGulf covenants and agrees as follows:

(a) To take good care of the Three Offices and the Metal Building Space and suffer no waste, and at the termination of this Lease Agreement, to deliver the Three Offices and the Metal Building Space to Billman in as good

*Rev  
LTH*

(b) To comply with all valid ordinances, regulations and laws of any municipal or other governmental authority applicable to MidGulf's use of the Three Offices and/or the Metal Building Space;

(d) To pay all taxes assessed with respect to the personal property owned by MidGulf and kept on or used in connection with the Three Offices and/or the Metal Building Space; and

(7) **Billman's Covenants:** Billman covenants and agrees as follows:

(b) To keep the exterior of the Concrete Building and the Metal Building in good repair, including, but not limited to, repair and maintenance of the roof and the structural soundness of the foundation and exterior walls, and to also keep in good repair the parking area in respect of the Parking Spaces:

(d) To carry, at Billman's expense, fire and extended coverage insurance on the Concrete Building and the Metal Building, and any contents therein belonging to Billman, in an amount not less than 80% of the full insurable value thereof, and upon request therefor, Billman agrees to furnish MidGulf evidence of such coverage. Further, Billman does hereby waive and relinquish any right of recovery from MidGulf, its agents, servants or employees for loss resulting from their acts or failure to act, which loss is covered by such insurance.

SV  
DTH



Billman Homes, Inc.  
Page Five

RECORDING'S RECOMMENDATION  
At the time of recording, this instrument was found to be  
adequate for the best photographic reproduction  
possible of the original, carbon or photostatic copy, according  
to the best of the recorder's knowledge and belief, and  
it is recommended that the instrument be recorded.

FILE NO. 364191

to the undersigned, whereupon this Letter Agreement shall become a binding agreement in  
accordance with its terms and provisions.

AMERICAN ENERGY LEASING, INC.

By Richard F. Bergner  
Richard F. Bergner, President

MIDGULF ENERGY, INC.

By Richard F. Bergner  
Richard F. Bergner, President

AGREED TO and accepted this 10 day of October, 1984.

BILLMAN HOMES, INC.

By Daniel H. Billman (Pres)  
Daniel H. Billman, President

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICK §

This instrument was acknowledged before me on this the 10 day of October, 1984,  
by Richard F. Bergner, President of American Energy Leasing, Inc., a Delaware  
corporation, on behalf of said corporation.

Max E. Peltz  
Notary Public in And For  
The State of TEXAS

364191

168574

EXHIBIT "A"  
PAGE 14 OF 20

05 079

Billman Homes, Inc.  
Page Six

**RECORDS MANAGEMENT**

"At the time of destruction, the instrument was found to be defective for the best photographic reproduction because of illegibility, fading or short run, discolored paper and all records, address and changes were present at the time the instrument was filed and received."

FILE NO. 364191

THE STATE OF TEXAS      S  
COUNTY OF SAN PATRICIO      S

This instrument was acknowledged before me on this the 10 day of October, 1984, by Richard F. Bergner, President of MidGulf Energy, Inc., a Texas corporation, on behalf of said corporation.

Yma E. Kelly  
Notary Public in And For  
The State of TEXAS

THE STATE OF TEXAS      \$  
COUNTY OF SAN PATRICIO      \$

This instrument was acknowledged before me on this 11 day of October, 1984, by Daniel E. Billman, President of Billman Homes, Inc., a Texas corporation, on behalf of said corporation.

*Mary E. Lilly*  
Notary Public In And For  
The State Of TEXAS

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK

CERTIFICATE OF LEGALITY AND AUTHENTICITY  
OFFICIAL PUBLIC RECORDS OF REAL PROPERTY

I, DOTTIE MALEY, County Clerk of San Patricio County, Texas, do hereby certify that the microfilming of the images between the Tullie Page and the Certificate of Locality and Authenticity has been in strict accordance with Article 1441(a), Vernon's Texas Civil Statutes, and that each image is a true, correct and exact copy of the page or pages of the identified instrument of writing, legal document, paper, or record which has been filed the second on the date and at the time stamped on each; that no splice was made in the original negative film between the Tullie Page and this Certificate.

I do further certify that the foregoing report was part of the Official Public Report of the Real Property of San Patricio County, Texas, ending with

FILE NO. 364191

Image Identification No. 168575

WITNESS MY HAND AND SEAL OF OFFICE, this 9th day of October 1987



364194

168575

EXHIBIT "A"  
PAGE 15 OF 20

05 080

CHANCELLOR RD  
BOX 7747  
CORPUS CHRISTI, TEXAS 78411  
PHONE: 812/834-0281



CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

FILE NO Job No. C 26,376

October 4, 1984

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

FIELDNOTE DESCRIPTION of a portion of Lot 3, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southwesterly corner of said Lot 3, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks K and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, at 20.00 feet pass a 5/8 inch iron rod set on the northerly right-of-way of said 40.00 foot roadway, in all 394.97 feet to a 5/8 inch iron rod set inside a 1-1/2 inch iron pipe found;

THENCE, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod found on the easterly boundary of said Lot 3;

THENCE, along said easterly boundary, S 34° 37' 00" W, at 374.06 feet pass a brass monument in concrete found, at 374.97 feet pass the northerly right-of-way of said 40.00 foot roadway, in all 394.97 feet to the southeasterly corner of said Lot 3, being on the centerline of said 40.00 foot roadway;

THENCE, along said centerline and the southerly boundary of said Lot 3, N 55° 23' 00" W, 280.00 feet to the POINT OF BEGINNING.

CONTAINING 2.5388 acres, more or less, of which 0.1286 acre is in road right-of-way.

MAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033

MH:ms



364191

168576

EXHIBIT "A"  
16 20

05 081





October 17, 1984

FILE NO. 364191

Mr. Daniel H. Billman  
President  
Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410

Dear Dan:

Please make reference to that certain Letter Agreement, dated October 10, 1984, between American Energy Leasing, Inc., a Delaware corporation, and MidGulf Energy, Inc., a Texas corporation, on the one hand, and Billman Homes, Inc., a Texas corporation, on the other hand (the "Lease Agreement").

As you know, the Lease Agreement was entered into as part and parcel of the sale by American Energy Leasing, Inc. to Billman Homes, Inc. of 2.5388 acres, more or less, of the surface estate out of Farm Lot 3 in Block "O," Burton & Danforth Subdivision, Abstract 184, San Patricio County, Texas and all improvements thereon; and furniture, fixtures and equipment described in Bill of Sale, dated October 10, 1984, from American Energy Leasing, Inc. to Billman Homes, Inc., reference being made to said Bill of Sale for all purposes.

This letter agreement shall serve as an addendum to the Lease Agreement (this "Addendum"). Terms defined in the Lease Agreement shall have the same meaning in this Addendum as in the Lease Agreement.

As we discussed, in addition to the Three Offices, the Metal Building Space and the Parking Spaces, it was agreed that MidGulf Energy, Inc., its successors and assigns, at no cost or expense (except as otherwise stated in this Addendum), shall also have the exclusive use and possession of office furniture and equipment (sold to Billman Homes, Inc. pursuant to said Bill of Sale) reasonably necessary for use in the Three Offices, as well as the exclusive use and possession of the storage racks and the portable metal building behind the Metal Building (also sold to Billman Homes, Inc. pursuant to said Bill of Sale), all for the term of the Lease Agreement.

MidGulf Energy, Inc., its successors and assigns, agrees to take good care of said office furniture and equipment, storage racks and portable building and, upon the termination of the Lease Agreement, to deliver them to Billman Homes, Inc. in as good condition as received, reasonable wear and tear excepted.

MidGulf Energy, Inc. also shall have the right to assign the rights and obligations contained in this Addendum without obtaining the consent of Billman Homes, Inc., provided that any such assignment shall be subject to the terms and provisions of this Addendum and upon such assignment, MidGulf Energy, Inc. shall be relieved of the obligations imposed on or assumed by it hereunder.

Except as supplemented by this Addendum, the Lease Agreement shall remain unchanged and in full force and effect.

364191

168578

EXHIBIT "A"  
PAGE 18 OF 20

05 083



Mr. Daniel H. Billman  
October 17, 1984  
Page Two

RECORDING MEMORANDUM  
At the time of recording, the following was found to be  
inadequate for the best photographic reproduction  
because of illegibility, portion of which was, therefore,  
omitted. See All Records, Addendum and Amend. to  
present of the time the instrument was filed and recorded.

FILE NO. 364191

Please confirm your agreement with this Addendum by signing duplicate originals  
hereof in the space provided below and returning the duplicate originals to the under-  
signed. The third original also enclosed is for the files of Billman Homes, Inc.

Very truly yours,

AMERICAN ENERGY LEASING, INC.

By *R. F. Bergner*  
Richard F. Bergner, President

MIDGULF ENERGY, INC.

By *R. F. Bergner*  
Richard F. Bergner, President

AGREED AND accepted this 22<sup>nd</sup> day of October, 1984.

BILLMAN HOMES, INC.

By *Daniel H. Billman (Pres)*  
Daniel H. Billman, President

364191

EXHIBIT "A"  
PAGE 19 OF 20

168579

05 084

RECORDS SECTION  
By the terms of the contract, the information was made available to the public for the purpose of conducting research and for the purpose of providing information to the public. The information is not to be used for any other purpose without the written consent of the Records Section.

FILE NO. 364191

1. Texas Air Control Board Permit No. R-6027 (Crude Oil Topping Plant and Barge Dock No. R-1 Ingleside, San Patricio County, Texas), Permit No. R-6625 (Crude Oil Topping Unit No. R-2 Ingleside, San Patricio County, Texas), and Permit No. C-7557 (Unleaded Gasoline Production Facility Ingleside, San Patricio County, Texas); and
2. Texas Department Of Water Resources Permit No. 02142, approved November 17, 1980, as renewed by Texas Water Commission order, dated March 30, 1983

364191

EXHIBIT "A"  
PAGE 20 OF 20

168580

05 085

FILE NO. 364191

AFFIDAVIT OF POSTING

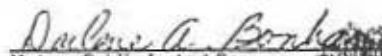
THE STATE OF TEXAS   §  
                                  §  
COUNTY OF SAN PATRICIO   §

BEFORE ME, the undersigned authority, on this day personally appeared Richard D. Thompson, a person well known to me who, after being first duly sworn, upon oath stated as follows: "I, Richard D. Thompson, am a person over the age of eighteen (18) years; I have never been convicted of a felony or a crime of moral turpitude, and have personal knowledge of the facts set forth herein. Acting at the request of American Energy Leasing, Inc., beneficiary under that certain Deed Of Trust And Security Agreement, dated November 30, 1985, executed by Falcon Refining Company, to Richard F. Bergner, Trustee, recorded under the San Patricio County Clerk's File No. 344362 of the Official Public Records of Real Property of San Patricio County, Texas, securing payment of the indebtedness evidenced by that certain (i) promissory note, dated November 30, 1985, in the original principal sum of Three Hundred Seventy-Six Thousand Nine Hundred Ninety-Five And No/100 Dollars (\$376,995.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc., and (ii) promissory note, dated November 30, 1985, in the original principal sum of Two Million Two Hundred Thousand And No/100 Dollars (\$2,200,000.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc. and any and all other indebtedness secured by and described in said Deed Of Trust, I have posted a signed copy of a Notice Of Trustee's Sale, a true and correct copy of which is marked Schedule 1, attached hereto and incorporated herein by reference for all purposes, at the following time and place: the Courthouse door of the County Courthouse of San Patricio County, Texas, 400 West Sinton Street, Sinton, Texas on September 14, 1987, at 1:35 o'clock p.m."

EXECUTED this 7th day of October, 1987.

  
RICHARD D. THOMPSON, Affiant

SUBSCRIBED AND SWORN TO before me on this 7th day of October, 1987.

  
Notary Public In And For  
The State Of TEXAS



364191

VERIFIED 6  
PAGE 1 OF 1

168581

05 086

364191

THE STATE OF TEXAS §  
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 7th day of October, 1987, by  
Richard D. Thompson.

*Barbara A. Bonham*  
Notary Public In And For  
The State Of TEXAS



364191

2

EXHIBIT 1  
PAGE 1 OF 1

168582

05 087

FILE NO. 364191

NOTICE OF TRUSTEE'S SALE

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

WHEREAS, by that certain Deed Of Trust And Security Agreement ("Deed Of Trust"), dated November 30, 1985, executed by Falcon Refining Company ("Falcon"), a Louisiana corporation, to Richard F. Bergner, Trustee, recorded under the San Patricio County Clerk's File No. 344362 of the Real Property Records of San Patricio County, Texas, to which reference is here made for all purposes, Falcon did convey the certain property (real, personal and/or mixed) situated in San Patricio County, Texas, and more particularly described on Exhibit "A," attached hereto and made a part hereof for all purposes, said property (real, personal and/or mixed) herein collectively referred to as the "Mortgaged Property."

WHEREAS, the Deed Of Trust secures the payment of the indebtedness evidenced by that certain (i) promissory note, dated November 30, 1985, in the original principal sum of Three Hundred Seventy-Six Thousand Nine Hundred Ninety-Five And No/100 Dollars (\$376,995.00), executed by Falcon and payable to the order of American Energy Leasing, Inc. ("AELI"), and (ii) promissory note, dated November 30, 1985, in the original principal sum of Two Million Two Hundred Thousand And No/100 Dollars (\$2,200,000.00), executed by Falcon and payable to the order of AELI, and any and all other indebtedness secured by and described in said Deed Of Trust, the above described two (2) promissory notes being herein collectively referred to as the "Notes."

WHEREAS, the indebtedness evidenced by the Notes is in default and the entire unpaid balance of the Notes is now due and payable; AELI has demanded payment of such of Falcon, and AELI, without in any way waiving any other rights and remedies in respect of the Notes and/or the Deed Of Trust, now intends to have the power of sale set forth in the Deed Of Trust enforced;

WHEREAS, AELI has directed the undersigned Trustee to enforce the power of sale under the Deed Of Trust for the purpose of collecting the indebtedness in respect of the Notes and as described in the Deed Of Trust, after giving notice in accordance with the terms of the Deed Of Trust and the laws of the State of Texas;

Schedule 1  
Page 1 of 22

364191

EXHIBIT 1  
PAGE 1 OF 22

7234  
FILED 168583  
1:30 PM  
SEP 14 1987

DOUGLAS MALEY  
Trustee

05 088

FILE NO. 364191

NOW, THEREFORE, Notice is hereby given that on Tuesday, October 6, 1987, same being the first Tuesday in said month, between the hours of 10:00 o'clock a.m. and 4:00 o'clock p.m., I, Richard F. Bergner, Trustee, will accordingly, after having complied with the terms of sale set forth in the Deed Of Trust and the laws of the State of Texas, sell the Mortgaged Property at public auction to the highest bidder or bidders for cash at the Courthouse door of the County Courthouse of San Patricio County, Texas.

EXECUTED in multiple originals on this 14th day of September, 1987.

  
Richard F. Bergner, Trustee

INFORMATION CONCERNING THIS  
MATTER MAY BE OBTAINED FROM  
THE TRUSTEE.

Address and Telephone Number of Trustee:

5718 Westheimer, Suite 700  
Houston, Texas 77057  
(713) 783-4832

THE STATE OF TEXAS §  
COUNTY OF HARRIS §

This instrument was acknowledged before me the 14th day of September, 1987, by  
Richard F. Bergner, Trustee.



  
Notary Public In And For  
The State Of TEXAS

SUSAN JANE HAYWOOD  
Notary Public In and for the State of Texas  
My Commission Expires 7-28-92

Schedule 1  
Page 2 of 22

364191

EXHIBIT <sup>2</sup> OF <sup>12</sup>  
PAGE 11 OF 22

168584

05 089



1002 LYNCELLEDA ADR  
P. O. BOX 7747  
CORPUS CHRISTI, TEXAS 78411  
PHONE: 812184-0211  
TELEX: 267435



CORPORATE OFFICES  
CORPUS CHRISTI, TEXAS  
BRANCHES  
HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

October 10, 1984

Job No. C 19,897

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

FILE NO. 364191

TRACT 2

FIELDNOTE DESCRIPTION of all of Lots 1 and 2, and a portion of Lot 3, Block N, AND a portion of Lots 1 and 2, Block M, AND all of Lot 4, Block II, AND a portion of Lot 4, Block JJ, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwesterly corner of said Lot 3, Block N, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks M and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the northerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, S 34° 37' 00" W, at 20.00 feet pass a 5/8 inch iron rod set on the southerly right-of-way of said 40.00 foot roadway, at 1300.0 feet pass a 5/8 inch iron rod set on the northerly right-of-way of a 40.00 foot roadway between Blocks M and N of said subdivision, in all 1320.00 feet to a 5/8 inch iron rod set on the southerly boundary of said Lot 3, Block N, being on the centerline of said 40.00 foot roadway;

THENCE, along said centerline and southerly boundary, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod set at the southeasterly corner of said Lot 3, Block N, being the northwesterly corner of Lot 2, Block M;

THENCE, along the westerly boundary of said Lot 2, S 34° 37' 00" W, at 20.00 feet pass the southerly right-of-way of said 40.00 foot roadway, in all 660.00 feet to a 5/8 inch iron rod set;

THENCE, S 55° 23' 00" E, at 630.00 feet pass the westerly right-of-way of a 60.00 foot roadway between Blocks M and JJ, at 660.00 feet pass the centerline of said roadway and boundary between said Blocks M and JJ, in all 690.00 feet to a 5/8 inch iron rod found on the easterly right-of-way of said 60.00 foot roadway;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, 420.89 feet to a 5/8 inch iron rod found;

THENCE, S 57° 11' 36" E, 219.92 feet to a 5/8 inch iron rod found;

THENCE, N 36° 16' 05" E, 252.27 feet to a 5/8 inch iron rod found on the northerly right-of-way of a 40.00 foot roadway between Blocks JJ and II;

166586

364191

Schedule 1  
Page 4 of 22

EXHIBIT "A"  
PAGE 2 OF 22

EXHIBIT 1  
PAGE 1 OF 17

05 091



October 10, 1954

## RECORDERS MEMORANDUM

At the time of recording, this instrument was found to be inadequate for the best photographic reproduction because of illegible, broken or faded type, omissions, errors, etc. All necessary corrections and changes were present at the time the instrument was filed and recorded.

TRACT 2 (CONTINUED)

FILE NO. 364191

THENCE, along said northerly right-of-way, S 55° 23' 00" E, 72.92 feet to a 5/8 inch iron rod set on the boundary between Lots 3 and 4, Block 11;

THENCE, along said boundary, N 34° 37' 00" E, at 1280.00 feet pass a 5/8 inch iron rod set on the southerly right-of-way of a 40.00 foot roadway between Blocks 11 and 12, in all 1300.00 feet to the centerline of said roadway, being the northeasterly corner of said Lot 4, Block 11;

THENCE, along said centerline and the boundary between Blocks 11 and 12, and the boundary between Blocks 12 and 13, N 55° 23' 00" W, 1270.00 feet to the POINT OF BEGINNING.

CONTAINING 50.113 acres, more or less, of which 4.070 acres is in road right-of-way.

MAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033

Notes



Schedule 1  
Page 5 of 22

364191

168587

ENCLOSURE "A"  
PAGE 7 OF 37

EXHIBIT "A"

05 092

A. A refinery located in Ingleside, Texas, on 59.258 acres of land, more or less, and consisting of the following processing units and facilities:

- A complete 10,000 or 12,000 b/d atmospheric crude distillation unit, including 3 side strippers, distillate treating facilities and cooling tower
- A complete 30,000 b/d atmospheric crude distillation unit, including 4 side strippers, diesel stream filter - collector and salt dryer and off-gas compressor and caustic treater, distillate treating facilities and cooling tower
- A complete 20,000 b/d vacuum distillation unit, including cooling tower.
- A complete 15,000 b/d naphtha stabilizer
- Boiler house 20,000 lb/hr
- Firewater system, including 200 HP diesel driven firewater pump
- Waste water treatment system
- Tankage consisting of 31 tanks with a total capacity of approximately 1,179,250 barrels and transfer pumps
- Barge loading facilities and dock, including air operated hydraulic crane, flexible hoses, meters, and air eliminators, as well as packaged boiler, together with all other allied assets
- Two (2) truck loading racks, together with all facilities thereto

B. Laboratory equipment located in the metallic building adjacent to the two-story office building, at the intersection of FM 2725 and Bishop Road, San Patricio County, Texas, and consisting of the following:

- Fisher Model 1200 Gas Partitioner with Semi-Scribe recorder
- Princeton Gamma Tech Model 100 Chemical Analyser (Sulfur Math.) w/Analex Model DP-500 Printer
- L-K Heating Hydrometer Cylinders (2)
- Vapor Pressure Bath Unit
- Fisher Model 13-449 Colorimeter, ASTM D-1500
- Fisher/Tag, Ser. No. 113, Saybolt Chronometer
- Precision Scientific Cal. No. 74731 Distillation Machine (4)
- Fisher/Tag Model 13407 Flash Point Apparatus
- Kochler Instrument Co. Smoke Point Apparatus (Set A)
- Precision Scientific Cal. No. 74700 Salt and Crude Analyser
- Fisher Model 315 Thermo Stirring Hot Plate
- Lab-Lite Instruments Model No. 1405 Kvik-Set Lab-Chron Timer
- Fisher/Tag Ser. No. 1392 Saybolt Viscosimeter, ASTM D-88
- Precision Scientific Cal. No. 74944 Temp-Trol Viscosity Bath
- Kochler Model No. 11-399 LPS Corrosion Bath
- Labconco Stainless Steel Glassware Washer

165558

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EXHIBIT 11  
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Vacuum Distillation Apparatus w/Vacuum Pump and (2) heating elements  
Kochler sample warmer, water by distillation  
Depentanization Apparatus ("poddlelnak")  
Fisher Model No. 350 Isolamp Oven  
Corning No. 125 ph Meter  
Bausch & Lomb Model No. 33-45-10 Refractometer  
Bausch & Lomb Model No. 33-22-01 Spectronic 21  
Fisher/Tag Ser. No. 1503 Tag Closed Meter, ASTM D-56  
GRA/Lab Model No. 171 Universal Timer  
M-6D Aqua Still Model No. M-6D, Ser. No. CD-621  
Oceanography Int'l. Automatic Model No. 1350  
Dayton Electric Model No. 3234B Speedair Compressor  
Miscellaneous consumable laboratory supplies

C. All spare parts, inventory and tools presently located  
in or on the 59.258 acres of land described in Paragraph A. above  
and/or in or on the two-story office building and/or metallic  
building described in Paragraph B. above.

D. In addition to the processing units and facilities  
specifically described in Paragraph A. above, the refinery shall  
also include the following:

Flare system including "knock out" drum  
Kerosine Clay Tower  
Instrument Air Compressor with dryer  
Control Building with Control Panels  
Pump House with switch gear room

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EXHIBIT "A"  
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EXHIBIT "A"

05 094

Leases, Easements and Permits

1. Lease Agreement dated March 26, 1979, from Coast Materials, Inc., as Lessor, to Uni Pipeline Company, as Lessee, covering the following described land situated in San Patricio County, Texas:

Being located on Red Fish Bay and BEGINNING at a point in the centerline of Ocean Drive, at 80 foot roadway opposite the Southeast corner of Lot Two (2), Bay Block Eight (8), as shown by map prepared by P. L. Telford dated December 9, 1909 and recorded in the Map Records of Aransas County, Texas, in Volume 1 at pages 62-63, a certified photostatic copy of which is filed in the Deed Records of San Patricio County, Texas, in Volume 152 at page 1, said point being in the Southeasterly projection of the South line of said Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 17° 16' 57" E., 345.7 feet along the centerline of Ocean Drive to a corner;

THENCE, N. 15° 24' 14" E., 349.46 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 18° 04' 37" E., 344.24 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 29° 15' E., 331.45 feet along said centerline of Ocean Drive to the Northwest corner of this tract;

THENCE, S. 55° 23' E., 270.01 feet with the Southeasterly projection of the North line of Lot Three (3), Bay Block Seven (7) of said subdivision to the shore of Red Fish Bay for the Northeast corner of this tract;

THENCE, with the shore of Red Fish Bay, S. 30° 06' 42" W., 331.02 feet;

THENCE, continuing with said shoreline, S. 32° 32' 03" W., 330.02 feet;

THENCE, along said shoreline, S. 32° 17' 15" E., 59.81 feet;

THENCE, along said shoreline, S. 16° 46' 10" W., 308.88 feet to a corner of this tract;

THENCE, along said shoreline, S. 23° 50' 07" W., 340.40 feet to the Southeast corner of this tract in the Southeasterly projection of the South line of Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 55° 23' W., 170.01 feet along said projection of the South line of said Lot Two (2) to the POINT OF BEGINNING, SAVE AND EXCEPT the East one-half (1/2) of Ocean Drive, an 80 foot roadway dedicated to the public use as such, containing 6.764 acres (including roadway), more or less, 5.505 acres, more or less, excluding one-half (1/2) roadway;

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Page 8 of 12

1654.10

ENCLOSURE 1  
PAGE 17 OF 17

"A"

SAVE AND EXCEPT, however, the following:

Beginning at a point in the center line of Ocean Drive where the center line of Sunray Road, a forty (40') foot county road, crosses said center line of Ocean Drive as shown by Burton and Danforth Subdivision map recorded in Vol. 1 at pages 62-63 of the map records of Aransas County, Texas, a certified photostatic copy of which is recorded in the Dead Records of San Patricio County, Texas, in Vol. 152, at page 1,

THENCE N. 18 deg. 4 min. 37 sec. East, 156.47 ft. along the center line of said Ocean Drive, an 80-foot roadway to the Northwest corner of this tract;

THENCE S. 55 deg. 25 min. East 218.55 feet to the shoreline of Redfish Bay for the Northeast corner of this tract;

THENCE S. 32 deg. 32 min. 3 sec. West, 150.1 feet with the shoreline of Redfish Bay;

THENCE S. 23 deg. 17 min. 15 sec. East, 59.47 feet along the shoreline;

THENCE S. 16 deg. 46 min. 10 sec. West, 308.88 feet along the shoreline;

THENCE S. 23 deg. 50 min. 7 sec. West, 340.40 feet along the shore to the Southeast corner of this tract;

THENCE N. 55 deg. 23 min. West, 170.17 feet to the Southwest corner in the center line of Ocean Drive;

THENCE N. 17 deg. 16 sec. 57 min. East, 345.70 feet with the center line of Ocean Drive to a corner;

THENCE N. 15 deg. 24 min. 14 sec. East, 349.46 feet along the center line of Ocean Drive to the point of beginning, containing 3.74 acres, save and except the East one-half (1/2) of Ocean Drive embraced within the above metes and bounds.

2. Pipeline Easement dated March 23, 1978, from Hugh C. Jackson to Uni Pipe Line Inc., covering a portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

3. Pipeline Easement dated March 17, 1978, from Dorothy Cathings to Uni Pipe Line, Inc., covering a portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "T" of the Burton and Danforth Subdivision, San Patricio County, Texas.

4. Pipeline Easement dated March 20, 1978, from Florence I. Duphorne to Uni Pipe Line, Inc., covering a portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

5. Pipeline Resolution of the Commissioner's Court of San Patricio County, Texas dated April 28, 1978, authorizing Uni Oil, Inc. to lay, construct, maintain and operate pipelines under, through, across and along certain public roads and highways.

6. Permit No. 1191 dated January 19, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni-Oil, pertaining to a pipeline across State Highway No. 361, San Patricio County, Texas.

7. Permit No. 1216 dated February 15, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipe Line, Inc., pertaining to a pipeline across F.M. No. 2725.

8. Perpetual 20' easement reserved in General Warranty Deed, dated May 8, 1984, from American Energy Leasing, Inc. ("Grantor") to A.C. Garrett, et al ("Grantees").

9. Perpetual 15' easement reserved in Warranty Deed, dated July 2, 1984, from American Energy Leasing, Inc. ("Grantor") to Central Power and Light Company ("Grantee").

10. Pipeline and valve station easement reserved in General Warranty Deed (With Vendor's Lien), dated March 30, 1984, from American Energy Leasing, Inc. ("Grantor") to J.D. Construction & Refinery Maintenance, Inc. ("Grantee").

11. Resolution of the City of Aransas Pass, Texas, dated November 7, 1977, granting H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the City of Aransas Pass, Texas; and Resolution of the Commissioners' Court of San Patricio County, Texas, dated November 14, 1977, granting to H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain, and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the County of San Patricio, Texas; which right of way grants and rights relating thereto were assigned by Assignment Of Right-Of-Way, dated January 23, 1978, from H & J Marine, Inc. to Uni Oil, Inc., and which right of way grants and rights relating thereto were assigned to Poda by Assignment of Rights of Way and Permit, dated January 31, 1983, and filed for record in the Official Public Records of Real Property of San Patricio County, Texas, under San Patricio County Clerk's File #315281, to which Resolutions and the assignments thereof reference is hereby made for all purposes.

12. Permit Number 1787, dated April 19, 1979, issued by the State Department of Highways And Public Transportation of the State of Texas to Uni Pipeline, Inc., pertaining to a pipeline through and under FM 1069 and FM 2725, San Patricio County, Texas, which Permit and the rights relating thereto were assigned to Poda by Assignment of Rights of Way and Permit, dated January 31, 1983, above described, to which Permit and the assignment thereof reference is hereby made for all purposes.

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Page 10 of 22

168592

EXHIBIT

"A"

EXHIBIT E  
PAGE OF 1



CHANCELLER ADM  
BOX 7747  
CORPUS CHRISTI, TEXAS 78411  
TEL: (512) 844-0211  
TX: 78411



COMPANY OFFICES:  
CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

RECORDING INFORMATION  
At the time of recording, this instrument was found to be  
adequate for the best photographic reproduction  
because of legibility, design or photo copy, and/or  
other factors. All blocks, additions and changes were  
present at the time the instrument was filed and recorded.

Job No. C 19,597

October 18, 1984

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

DESCRIPTION of a ~~various~~ pipeline easement across a portion of Lots 1, 2 and 3,  
Block 11, Burton and Danforth Subdivision, as shown by map recorded in Volume 152,  
Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwest corner of said Lot 3, being on the centerline of a  
40.00 foot roadway between Blocks 11 and 111, said subdivision;

THENCE, along the common boundary between Lots 3 and 4, said Block 11,  
S 34° 37' 00" W, 20.00 feet to the southerly right-of-way of said 40.00  
foot roadway, for the POINT OF BEGINNING of this easement;

THENCE, along said southerly right-of-way, S 55° 23' 00" E, 960.00 feet to the  
westerly right-of-way of a 60.00 foot roadway between Blocks 11 and 9 of said  
subdivision;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 73.50 feet;

THENCE, N 55° 23' 00" W, 960.00 feet to the common boundary between said Lots 3  
and 4, Block 11;

THENCE, along said common boundary, N 34° 37' 00" E, 73.50 feet to the POINT OF  
BEGINNING.

MAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033

MR:ms



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EXHIBIT "A" 10

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05 098



October 10, 1984

FILE NO. 364191

Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410  
Attn: Mr. Daniel H. Billman, President

Gentlemen:

Please make reference to that certain Earnest Money Contract dated September 24, 1984, between American Energy Leasing, Inc., a Delaware corporation ("Seller") and Billman Homes, Inc., a Texas corporation ("Purchaser"), covering 2.25 acres, more or less, out of Farm Lot 3, Land Block "O," Barton and Danforth Subdivision, San Patricio County, Texas, and all improvements thereon (the "Earnest Money Contract").

Simultaneously with the execution and delivery of this Letter Agreement, American Energy Leasing, Inc., one of the undersigned, has executed and delivered to Billman Homes, Inc., a General Warranty Deed covering the land referenced in the Earnest Money Contract and more particularly described by meter and bounds in the Exhibit "A," attached hereto and made a part hereof for all purposes (the "Land"), together with all improvements located on the Land.

The improvements located on the Land are a two-story prefabricated concrete building (the "Concrete Building") and a one-story metal building (the "Metal Building"), the location of which are outlined in a survey plat of the Land marked Exhibit "B" attached hereto and made a part hereof for all purposes.

Article V, Paragraph (A) of the Earnest Money Contract provides as follows:

V. LEASE AND FURNITURE AND EQUIPMENT.

(A) Lease:

As part of the consideration for Seller conveying the Land to Purchaser, Purchaser agrees to lease to Seller, MidGulf Energy, Inc., or either of their assigns, at no cost or expense to Seller, MidGulf Energy, Inc., or either of their assigns, for a period of twenty-four (24) months, beginning the first day of the month immediately following the Closing (as herein defined) and ending twenty-four (24) full calendar months thereafter, the following:

(i) Three (3) contiguous executive offices, now located in the northwest corner on the ground floor of the two-story office and storage building located on and being a part of the Land (herein called the "Three Offices"); and

(ii) The area in the metal building located on and being a part of the Land in which Seller's laboratory is now located and as much of the remaining storage area in said metal building as Seller reasonably needs to store spare parts, tools,

EDV  
LHB.

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EXHIBIT "A"

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05 099

FILE NO. 364191

equipment and/or supplies relative to Seller's refinery located across Bishop Road from the Land.

Purchaser, however, shall have the right, at any time during said twenty-four (24) month period, to require Seller, MidGulf Energy, Inc. or either of their assigns to vacate the Three Offices upon reasonable notice and by making available, at Purchaser's sole cost and expense, executive offices comparable in size and quality, including, but not limited to, air conditioning and lighting, in either the two-story building or the metal building described above."

The purpose of this Letter Agreement is to implement and supplement the provisions of Article V, Paragraph (A) of the Earnest Money Contract, as follows:

(1) Lease: Billman Homes, Inc. ("Billman") does hereby lease to MidGulf Energy, Inc. ("MidGulf"), and MidGulf does hereby lease from Billman, (i) three contiguous executive offices located in the northwest corner on the ground floor of the Concrete Building and as outlined in red on the said Exhibit "B" (the "Three Offices"), (ii) the area in the Metal Building in which a laboratory is now located and as much of the remaining storage area in the Metal Building as MidGulf reasonably needs to store spare parts, tools, equipment and/or supplies relative to the refinery located across Bishop Road from the Land (the "Metal Building Space") and (iii) five (5) parking spaces adjacent to the Concrete Building and/or the Metal Building (the "Parking Spaces").

(2) Term: The term of this Lease Agreement shall begin on the date hereof and shall terminate on October 31, 1986, unless otherwise extended by mutual agreement.

(3) Rent: For the term of this Lease Agreement, MidGulf shall have no rental obligation to Billman, it being understood that part of the consideration for the conveyance by American Energy Leasing, Inc. to Billman of the Land and the improvements located thereon includes, but is not limited to, the lease of the Three Offices, the Metal Building Space and the Parking Spaces to MidGulf at no rental cost to MidGulf.

(4) Use: MidGulf shall have the right to use the Three Offices and the Metal Building Space for any lawful purpose.

(5) Relocation: Billman shall have the right at any time during the term of this Lease Agreement to require MidGulf to vacate the Three Offices upon reasonable notice and by making available, at Billman's sole cost and expense, executive offices comparable in size and quality to the Three Offices, including, but not limited to, air conditioning and lighting, in either the Concrete Building or the Metal Building.

(6) MidGulf's Covenants: MidGulf covenants and agrees as follows:

(a) To take good care of the Three Offices and the Metal Building Space and suffer no waste, and at the termination of this Lease Agreement, to deliver the Three Offices and the Metal Building Space to Billman in as good

*Handwritten initials: BW, LSH*

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EXHIBIT "A"

EXHIBIT "E"  
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condition as received by MidGulf, reasonable wear and tear and damage by fire, flood, windstorm, tornado, hurricane or other elements or, without limitation by the foregoing enumeration, other causes beyond MidGulf's control excepted;

(b) To comply with all valid ordinances, regulations and laws of any municipal or other governmental authority applicable to MidGulf's use of the Three Offices and/or the Metal Building Space;

(c) To keep the interior of the Three Offices and/or the Metal Building Space in a good state of repair;

(d) To pay all taxes assessed with respect to the personal property owned by MidGulf and kept on or used in connection with the Three Offices and/or the Metal Building Space; and

(e) To pay all charges for water, gas, electricity or other utilities incurred by MidGulf in connection with the use of the Three Offices and/or the Metal Building Space.

(7) Billman's Covenants: Billman covenants and agrees as follows:

(a) That Billman has good and marketable title to the Three Offices, the Metal Building Space and the Parking Spaces in fee simple absolute, and that the same are subject to no leases, tenancies, agreements, encumbrances, liens or defects in title adversely affecting them or the rights granted MidGulf in this Lease Agreement;

(b) To keep the exterior of the Concrete Building and the Metal Building in good repair, including, but not limited to, repair and maintenance of the roof and the structural soundness of the foundation and exterior walls, and to also keep in good repair the parking area in respect of the Parking Spaces;

(c) To pay all real property taxes assessed against the Land and the improvements located thereon before the same shall become delinquent; and

(d) To carry, at Billman's expense, fire and extended coverage insurance on the Concrete Building and the Metal Building, and any contents therein belonging to Billman, in an amount not less than 80% of the full insurable value thereof, and upon request therefor, Billman agrees to furnish MidGulf evidence of such coverage. Further, Billman does hereby waive and relinquish any right of recovery from MidGulf, its agents, servants or employees for loss resulting from their acts or failure to act, which loss is covered by such insurance.

(8) Signs: MidGulf shall have the right to install at its own expense its usual signs or other items identifying its business and to make such alterations, changes or additions on or to the Three Offices and/or the Metal Building Space as it finds necessary or convenient for its purposes, provided the Three Offices, the Metal

BVP  
BVP

364191

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EXHIBIT, "A"

EXHIBIT "B"  
Page 16 of 24

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FILE NO.

Building Space, the Concrete Building and/or the Metal Building shall not be structurally damaged thereby.

(9) Assignment: MidGulf shall have the right to assign this Lease Agreement without obtaining the consent of Landlord; however, any such assignment shall be subject to all the terms and provisions of this Lease Agreement, and upon any such assignment, MidGulf shall be relieved of the obligations imposed on or assumed by it hereunder.

(10) Hold Harmless: MidGulf agrees to hold harmless Billman from and against any and all claims, demands or causes of action for any damage to person or property caused by any negligence of MidGulf its agents, servants or employees.

(11) Notices: All notices and demands which may be or are required or permitted to be given by any party to any other party herewith shall be in writing and shall be deemed to have been delivered and received by the party to whom such notice or demand is addressed on the day following the day that such notice or demand is delivered to U.S. Post Office or an official depository under the care and custody of the United States Postal Services, certified mail, postage prepaid and addressed as follows:

If to MidGulf:

MidGulf Energy, Inc.  
c/o Richard F. Bergner  
5718 Westheimer, Suite 700  
Houston, Texas 77057

If to Billman:

Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410  
Attn: Daniel H. Billman, President

Said addresses may be changed from time to time by either party by notifying the other party in writing.

(12) Parties Bound: This Lease Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(13) Governing Law: This Lease Agreement and the performance thereof shall be construed in accordance with and be governed by the laws of the State of Texas.

If the foregoing correctly sets forth your understanding of the terms and conditions relative to the lease by MidGulf, its successors and assigns of the Three Offices, the Metal Building Space and the Parking Spaces above described, then please sign triplicate originals of this letter in the space provided below, and return two (2) executed originals

*Handwritten initials:*  
DHB

364191

Schedule 1  
Page 15 of 22

163597

EXHIBIT "A"  
PAGE 15 OF 20

"B"  
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RECORDER'S MEMORANDUM  
At the time of recording, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, portion or photo copy, discolored paper, etc. All brackets, additions and changes were present at the time the instrument was filed and recorded.

FILE NO. 364191

to the undersigned, whereupon this Letter Agreement shall become a binding agreement in accordance with its terms and provisions.

AMERICAN ENERGY LEASING, INC.

By Richard F. Bergner  
Richard F. Bergner, President

MIDGULF ENERGY, INC.

By Richard F. Bergner  
Richard F. Bergner, President

AGREED TO and accepted this 10 day of October, 1984.

BILLMAN HOMES, INC.

By Daniel H. Billman (Pres)  
Daniel H. Billman, President

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

This instrument was acknowledged before me on this the 10 day of October, 1984, by Richard F. Bergner, President of American Energy Leasing, Inc., a Delaware corporation, on behalf of said corporation.

Mary E. Riley  
Notary Public In And For  
The State Of TEXAS

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EXHIBIT "A"  
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Billman Homes, Inc.  
Page Six

FILE NO. 364191

RECORDERS MEMORANDUM  
At the time of recording, this instrument was found to be  
the duplicate for the best photographic reproduction  
because of legibility, carbon or photo copy, discolored  
paper, etc. All signatures, addresses and changes were  
present at the time the instrument was filed and recorded.

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

This instrument was acknowledged before me on this the 10 day of October, 1984,  
by Richard F. Bergner, President of MidGulf Energy, Inc., a Texas corporation, on behalf  
of said corporation.

May E. Kelly  
Notary Public In And For  
The State Of TEXAS

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

This instrument was acknowledged before me on this the 11 day of October, 1984,  
by Daniel H. Billman, President of Billman Homes, Inc., a Texas corporation, on behalf of  
said corporation.

May E. Kelly  
Notary Public In And For  
The State Of TEXAS

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EXHIBIT "B"  
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EXHIBIT "A"



CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

FILE NO Job No. C 26,376

October 4, 1984

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

FIELDNOTE DESCRIPTION of a portion of Lot 3, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southwesterly corner of said Lot 3, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks K and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, at 20.00 feet pass a 5/8 inch iron rod set on the northerly right-of-way of said 40.00 foot roadway, in all 394.97 feet to a 5/8 inch iron rod set inside a 1-1/2 inch iron pipe found;

THENCE, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod found on the easterly boundary of said Lot 3;

THENCE, along said easterly boundary, S 34° 37' 00" W, at 374.06 feet pass a brass monument in concrete found, at 374.97 feet pass the northerly right-of-way of said 40.00 foot roadway, in all 394.97 feet to the southeasterly corner of said Lot 3, being on the centerline of said 40.00 foot roadway;

THENCE, along said centerline and the southerly boundary of said Lot 3, N 55° 23' 00" W, 280.00 feet to the POINT OF BEGINNING.

CONTAINING 2.5388 acres, more or less, of which 0.1286 acre is in road right-of-way

HAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033

W:ms

*2713*



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163600

"B"  
11.230 OF 24

EXHIBIT "A"





FILE NO. 364191

At the time of the outbreak, the cases were all found to be individuals from the same primary school, although some children of the same school were not affected. The outbreak was limited to the primary school and did not spread to other parts of the community. The outbreak was caused by the consumption of a contaminated food item, and the source of the contamination was identified as a local food vendor. The outbreak was controlled by the removal of the contaminated food item from the community and the implementation of food safety measures.

Please make reference to that certain Letter Agreement, dated October 10, 1986, between American Energy Leasing, Inc., a Delaware corporation, and MidGulf Energy, Inc., a Texas corporation, on the one hand, and Billman Homes, Inc., a Texas corporation, on the other hand (the "Lease Agreement").

This letter agreement shall serve as an addendum to the Lease Agreement (this "Addendum"). Terms defined in the Lease Agreement shall have the same meaning in this Addendum as in the Lease Agreement.

As we discussed, in addition to the Three Offices, the Metal Building Space and the Parking Spaces, it was agreed that MidGulf Energy, Inc., its successors and assigns, at no cost or expense (except as otherwise stated in this Addendum), shall also have the exclusive use and possession of office furniture and equipment (sold to Billman Homes, Inc. pursuant to said Bill of Sale) reasonably necessary for use in the Three Offices, as well as the exclusive use and possession of the storage racks and the portable metal building behind the Metal Building (also sold to Billman Homes, Inc. pursuant to said Bill of Sale), all for the term of the Lease Agreement.

MidGulf Energy, Inc., its successors and assigns, agrees to take good care of said office furniture and equipment, storage racks and portable building and, upon the termination of the Lease Agreement, to deliver them to Billman Homes, Inc. in as good condition as received, reasonable wear and tear excepted.

MidGulf Energy, Inc. also shall have the right to assign the rights and obligations contained in this Addendum without obtaining the consent of Billman Homes, Inc., provided that any such assignment shall be subject to the terms and provisions of this Addendum and upon such assignment, MidGulf Energy, Inc. shall be relieved of the obligations imposed on or assumed by it hereunder.

Except as supplemented by this Addendum, the Lease Agreement shall remain unchanged and in full force and effect.

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166602

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EXHIBIT A

Page 22 OF 24

Mr. Daniel H. Billman  
October 27, 1984  
Page Two

REPRODUCED BY XEROX  
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adequate for the best photographic reproduction  
because of legibility, carbon or other form, electronic  
print, etc. All documents, articles and changes were  
present at the time the instrument was read and recorded.

FILE NO. 364191

Please confirm your agreement with this Addendum by signing duplicate originals  
hereof in the space provided below and returning the duplicate originals to the under-  
signed. The third original also enclosed is for the files of Billman Homes, Inc.

Very truly yours,

AMERICAN ENERGY LEASING, INC.

By Richard F. Bergner  
Richard F. Bergner, President

MIDGULF ENERGY, INC.

By Richard F. Bergner  
Richard F. Bergner, President

AGREED AND accepted this 22<sup>nd</sup> day of October, 1984.

BILLMAN HOMES, INC.

By Daniel H. Billman (Pres)  
Daniel H. Billman, President

168603

364191

Schedule 1  
Page 21 of 22

EXHIBIT "A"  
PAGE 19 OF 20

EXHIBIT "B"  
PAGE 23 OF 24

RECORDERS MEMORANDUM  
At the time of preparation this manuscript was known to be  
adequate for the best photographic reproduction of the  
document. It is hereby certified that the original document  
is in the custody of the Department of the Interior and is available  
for the use of the public.

FILE NO. 364191

1. Texas Air Control Board Permit No. R-5027 (Crude Oil Topping Plant and Barge Dock No. R-1 Ingleside, San Patricio County, Texas), Permit No. R-5625 (Crude Oil Topping Unit No. R-2 Ingleside, San Patricio County, Texas), and Permit No. C-7557 (Unleaded Gasoline Production Facility Ingleside, San Patricio County, Texas); and
2. Texas Department Of Water Resources Permit No. 02142, approved November 17, 1980, as renewed by Texas Water Commission order, dated March 30, 1983

364191

168604

Schedule 1  
Page 22 of 22  
EXHIBIT A  
PAGE 20 OF 20

EXHIBIT 6  
PAGE 14 OF 30

05 109

AFFIDAVIT OF RECORDING

THE STATE OF TEXAS   §  
                                   §  
 COUNTY OF SAN PATRICIO   §

BEFORE ME, the undersigned authority, on this day personally appeared Richard D. Thompson, a person well known to me who, after being first duly sworn, upon oath stated as follows: "I, Richard D. Thompson, am a person over the age of eighteen (18) years; I have never been convicted of a felony or a crime of moral turpitude, and have personal knowledge of the facts set forth herein. Acting at the request of American Energy Leasing, Inc., beneficiary under that certain Deed Of Trust And Security Agreement, dated November 30, 1985, executed by Falcon Refining Company, to Richard F. Bergner, Trustee, recorded on November 30, 1985, under the San Patricio County Clerk's File No. 344362 of the Official Public Records of Real Property of San Patricio County, Texas, securing payment of the indebtedness evidenced by that certain (i) promissory note, dated November 30, 1985, in the original principal sum of Three Hundred Seventy-Six Thousand Nine Hundred Ninety-Five And No/100 Dollars (\$376,995.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc., and (ii) promissory note, dated November 30, 1985, in the original principal sum of Two Million Two Hundred Thousand And No/100 Dollars (\$2,200,000.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc. and any and all other indebtedness secured by and described in said Deed Of Trust, I have filed a signed copy of a Notice Of Trustee's Sale, a true and correct copy of which is marked Schedule 1, attached hereto and incorporated herein by reference for all purposes, in the Office of the County Clerk of San Patricio County, Texas, on September 14, 1987, at 1:30 o'clock p.m."

EXECUTED this 7th day of October, 1987.

*Richard D. Thompson*  
 RICHARD D. THOMPSON, Affiant

SUBSCRIBED AND SWORN TO before me on this 7th day of October, 1987.

*Douglas A. Bonham*  
 Notary Public In And For  
 The State Of TEXAS



364191

168605

THE STATE OF TEXAS   §  
                                  §  
COUNTY OF HARRIS   §

FILE NO. 364191

This instrument was acknowledged before me on the 7th day of October, 1987, by  
Richard D. Thompson.

*Dorlene A. Benham*  
Notary Public In And For  
The State Of TEXAS



364191

2

168606

05 111

FILE NO. 364191

NOTICE OF TRUSTEE'S SALE

THE STATE OF TEXAS 5  
COUNTY OF SAN PATRICIO 5

WHEREAS, by that certain Deed Of Trust And Security Agreement ("Deed Of Trust"), dated November 30, 1985, executed by Falcon Refining Company ("Falcon"), a Louisiana corporation, to Richard F. Bergner, Trustee, recorded under the San Patricio County Clerk's File No. 344362 of the Real Property Records of San Patricio County, Texas, to which reference is here made for all purposes, Falcon did convey the certain property (real, personal and/or mixed) situated in San Patricio County, Texas, and more particularly described on Exhibit "A," attached hereto and made a part hereof for all purposes, said property (real, personal and/or mixed) herein collectively referred to as the "Mortgaged Property."

WHEREAS, the Deed Of Trust secures the payment of the indebtedness evidenced by that certain (i) promissory note, dated November 30, 1985, in the original principal sum of Three Hundred Seventy-Six Thousand Nine Hundred Ninety-Five And No/100 Dollars (\$376,995.00), executed by Falcon and payable to the order of American Energy Leasing, Inc. ("AELI"), and (ii) promissory note, dated November 30, 1985, in the original principal sum of Two Million Two Hundred Thousand And No/100 Dollars (\$2,200,000.00), executed by Falcon and payable to the order of AELI, and any and all other indebtedness secured by and described in said Deed Of Trust, the above described two (2) promissory notes being herein collectively referred to as the "Notes."

WHEREAS, the indebtedness evidenced by the Notes is in default and the entire unpaid balance of the Notes is now due and payable; AELI has demanded payment of such of Falcon, and AELI, without in any way waiving any other rights and remedies in respect of the Notes and/or the Deed Of Trust, now intends to have the power of sale set forth in the Deed Of Trust enforced;

WHEREAS, AELI has directed the undersigned Trustee to enforce the power of sale under the Deed Of Trust for the purpose of collecting the indebtedness in respect of the Notes and as described in the Deed Of Trust, after giving notice in accordance with the terms of the Deed Of Trust and the laws of the State of Texas;

Schedule 1  
Page 1 of 22

364191

EXHIBIT 1  
PAGE 1 OF 22

7231  
FILED

SEP 14 1987

DO NOT WRITE



NOW, THEREFORE, Notice is hereby given that on Tuesday, October 6, 1987, same being the first Tuesday in said month, between the hours of 10:00 o'clock a.m. and 4:00 o'clock p.m., I, Richard F. Bergner, Trustee, will accordingly, after having complied with the terms of sale set forth in the Deed Of Trust and the laws of the State of Texas, sell the Mortgaged Property at public auction to the highest bidder or bidders for cash at the Courthouse door of the County Courthouse of San Patricio County, Texas.

EXECUTED in multiple originals on this 14th day of September, 1987.

  
Richard F. Bergner, Trustee

INFORMATION CONCERNING THIS  
MATTER MAY BE OBTAINED FROM  
THE TRUSTEE.

Address and Telephone Number of Trustee:  
5718 Westheimer, Suite 700  
Houston, Texas 77057  
(713) 783-4832

THE STATE OF TEXAS §  
COUNTY OF HARRIS §

This Instrument was acknowledged before me the 14th day of September, 1987, by  
Richard F. Bergner, Trustee.



  
Notary Public In/And For  
The State Of TEXAS

SUSAN JANE HAYWOOD  
Notary Public in and for the State of Texas  
My Commission Expires 7-26-88

Schedule 1  
Page 2 of 22

364191

2  
EXHIBIT 2 OF 24

168608

October 10, 1984

Job No. C 19,597

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

TRACT 1

FIELDNOTE DESCRIPTION of a portion of Lots 4 and 5, Block D, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southeasterly corner of said Lot 4, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot public roadway between Blocks N and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 4, N 55° 23' 00" W, at 50.00 feet pass the westerly right-of-way of said Farm-to-Market Road, in all 156.12 feet to the POINT OF BEGINNING of this tract;

THENCE, continuing along said centerline and boundary, N 55° 23' 00" W, 503.88 feet to the southwesterly corner of said Lot 5;

THENCE, along the westerly boundary of said Lot 5, N 34° 37' 00" E, at 20.00 feet pass a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 685.00 feet to a brass monument in concrete found;

THENCE, S 55° 23' 00" E, 610.00 feet to a 5/8 inch iron rod set on the westerly right-of-way of said Farm-to-Market Road;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 501.25 feet to a 5/8 inch iron rod found;

THENCE, N 55° 23' 00" W, 105.12 feet to a 5/8 inch iron rod found;

THENCE, S 34° 37' 00" W, at 163.75 feet pass a 5/8 inch iron rod found on the northerly right-of-way of said 40.00 foot roadway, in all 163.75 feet to the POINT OF BEGINNING.

CONTAINING 9.145 acres, more or less, of which 0.231 acre is in road right-of-way.

MAVERICK ENGINEERING COMPANY

BY: *Michael Hess*  
Michael Hess  
Registered Public Surveyor  
Texas No. 2033



WJH:ms

364191

168609

Schedule 1  
Page 3 of 22

EXHIBIT, "A" 10

EXHIBIT, "A" 10  
PAGE 3 OF 22

05 114

1007 LYANDELL ROAD  
P. O. BOX 2747  
CORPUS CHRISTI, TEXAS 78411  
PHONE: (512) 844-0241  
TELEX: 267449



CORPORATE OFFICES  
CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

October 10, 1984

Job No. C 19,597

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

FILE NO. 364191

TRACT 2

FIELDNOTE DESCRIPTION of all of Lots 1 and 2, and a portion of Lot 3, Block N, AND a portion of Lots 1 and 2, Block M, AND all of Lot 4, Block JJ, AND a portion of Lot 4, Block JJ, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwesterly corner of said Lot 3, Block N, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks M and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the northerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, S 34° 37' 00" W, at 20.00 feet pass a 5/8 inch iron rod set on the southerly right-of-way of said 40.00 foot roadway, at 1300.0 feet pass a 5/8 inch iron rod set on the northerly right-of-way of a 40.00 foot roadway between Blocks M and N of said subdivision, in all 1320.00 feet to a 5/8 inch iron rod set on the southerly boundary of said Lot 3, Block N, being on the centerline of said 40.00 foot roadway;

THENCE, along said centerline and southerly boundary, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod set at the southeasterly corner of said Lot 3, Block N, being the northwesterly corner of Lot 2, Block M;

THENCE, along the westerly boundary of said Lot 2, S 34° 37' 00" W, at 20.00 feet pass the southerly right-of-way of said 40.00 foot roadway, in all 660.00 feet to a 5/8 inch iron rod set;

THENCE, S 55° 23' 00" E, at 630.00 feet pass the westerly right-of-way of a 60.00 foot roadway between Blocks M and JJ, at 660.00 feet pass the centerline of said roadway and boundary between said Blocks M and JJ, in all 690.00 feet to a 5/8 inch iron rod found on the easterly right-of-way of said 60.00 foot roadway;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, 420.89 feet to a 5/8 inch iron rod found;

THENCE, S 57° 11' 36" E, 219.92 feet to a 5/8 inch iron rod found;

THENCE, N 36° 16' 05" E, 252.27 feet to a 5/8 inch iron rod found on the northerly right-of-way of a 40.00 foot roadway between Blocks JJ and II;

364191

168610

Schedule 1  
Page 4 of 22

EXHIBIT "A"  
PAGE 2 OF 20

168610 OF 27

RECORDERS REASSURANCE  
At the time of recording this instrument was found to be  
adequate for the last photographic reproduction  
because of slightly better or poor copy. Should  
copy, all. All instruments, additions and changes were  
present at the time the instrument was filed and recorded.

TRACT 2 (CONTINUED)

FILE NO. 364191

THENCE, along said northerly right-of-way, S 55° 23' 00" E, 72.92 feet to a 5/8  
inch iron rod set on the boundary between Lots 3 and 4, Block 11;

THENCE, along said boundary, N 34° 37' 00" E, at 1280.00 feet pass a 5/8 inch iron  
rod set on the southerly right-of-way of a 40.00 foot roadway between Blocks 11  
and 12, in all 1300.00 feet to the centerline of said roadway, being the northeast-  
erly corner of said Lot 4, Block 11;

THENCE, along said centerline and the boundary between Blocks 11 and 12, and the  
boundary between Blocks K and O, N 55° 23' 00" W, 1270.00 feet to the POINT OF  
BEGINNING.

CONTAINING 50.113 acres, more or less, of which 4.070 acres is in road right-of-way.

MAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*

Michael Haas  
Registered Public Surveyor  
Texas No. 2033

Notes



Schedule 1  
Page 5 of 22

364191

168611

EXHIBIT

"A"

EXHIBIT <sup>6</sup> OF <sup>24</sup>  
PAGE 7 OF 24

05 116

A. A refinery located in Ingleside, Texas, on 59.258 acres of land, more or less, and consisting of the following processing units and facilities:

ALCOA CO. v. ...  
...  
...  
...  
...

- A complete 10,000 or 12,000 b/d atmospheric crude distillation unit, including 3 side strippers, distillate treating facilities and cooling tower
- A complete 30,000 b/d atmospheric crude distillation unit, including 4 side strippers, diesel steam filter - collector and salt dryer and off-gas compressor and caustic treater, distillate treating facilities and cooling tower
- A complete 20,000 b/d vacuum distillation unit, including cooling tower.
- A complete 15,000 b/d naphtha stabilizer
- Boiler house 20,000 lb/hr
- Firewater system, including 200 HP diesel driven firewater pump
- Waste water treatment system
- Tankage consisting of 31 tanks with a total capacity of approximately 1,179,250 barrels and transfer pumps
- Barge loading facilities and dock, including air operated hydraulic crane, flexible hoses, meters, and air eliminators, as well as packaged boiler, together with all other allied assets
- Two (2) truck loading racks, together with all facilities thereto

B. Laboratory equipment located in the metallic building adjacent to the two-story office building, at the intersection of FM 2725 and Bishop Road, San Patricio County, Texas, and consisting of the following:

- Fisher Model 1200 Gas Partitioner with Omni-Scribe recorder
- Princeton Gamma Tech Model 100 Chemical Analyser (Sulfur Mach.) w/Anadex Model DP-500 Printer
- L-K Heating Hydrometer Cylinders (2)
- Vapor Pressure Bath Unit
- Fisher Model 13-469 Colorimeter, ASTM D-1500
- Fisher/Tag, Ser. No. 113, Saybolt Chronometer
- Precision Scientific Cat. No. 74731 Distillation Machine (4)
- Fisher/Tag Model 13407 Flash Point Apparatus
- Kochler Instrument Co. Smoke Point Apparatus (Set A)
- Precision Scientific Cat. No. 74700 Salt and Crude Analyser
- Fisher Model 315 Thernia Stirring Hot Plate
- Lab-Line Instruments Model No. 1405 Kwik-Set Lab-Chron Timer
- Fisher/Tag Ser. No. 1397 Saybolt Viscosimeter, ASTM D-88
- Precision Scientific Cat. No. 74946 Temp-Trol Viscosity Bath
- Kochler Model No. 10-399 LPG Corrosion Bath
- Labconco Stainless Steel Glassware Washer

Schedule 1  
Page 6 of 22

10/1/17  
10/1/17 or 10/1/17

"A"

364191

C. All spare parts, inventory and tools presently located in or on the 59.258 acres of land described in Paragraph A. above and/or in or on the two-story office building and/or metallic building described in Paragraph B. above.

Flare system including "knock out" drum  
Kerosine Clay Tower  
Instrument Air Compressor with dryer  
Control Building with Control Panels  
Pump House with switch gear room

Leases, Easements and Permits

1. Lease Agreement dated March 26, 1979, from Coast Materials, Inc., as Lessor, to Uni Pipeline Company, as Lessee, covering the following described land situated in San Patricio County, Texas:

Being located on Red Fish Bay and BEGINNING at a point in the centerline of Ocean Drive, at 80 foot roadway opposite the Southeast corner of Lot Two (2), Bay Block Eight (8), as shown by map prepared by P. L. Telford dated December 9, 1909 and recorded in the Map Records of Aransas County, Texas, in Volume 1 at pages 62-63, a certified photostatic copy of which is filed in the Deed Records of San Patricio County, Texas, in Volume 152 at page 1, said point being in the Southeasterly projection of the South line of said Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 17° 16' 57" E., 345.7 feet along the centerline of Ocean Drive to a corner;

THENCE, N. 15° 24' 14" E., 319.46 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 18° 04' 37" E., 344.24 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 29° 15' E., 331.45 feet along said centerline of Ocean Drive to the Northwest corner of this tract;

THENCE, S. 55° 23' E., 270.01 feet with the Southeasterly projection of the North line of Lot Three (3), Bay Block Seven (7) of said subdivision to the shore of Red Fish Bay for the Northeast corner of this tract;

THENCE, with the shore of Red Fish Bay, S. 30° 06' 42" W., 331.02 feet;

THENCE, continuing with said shoreline, S. 32° 32' 03" W., 330.02 feet;

THENCE, along said shoreline, S. 32° 17' 15" E., 59.81 feet;

THENCE, along said shoreline, S. 16° 46' 10" W., 308.88 feet to a corner of this tract;

THENCE, along said shoreline, S. 23° 50' 07" W., 340.40 feet to the Southeast corner of this tract in the Southeasterly projection of the South line of Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 55° 23' W., 170.01 feet along said projection of the South line of said Lot Two (2) to the POINT OF BEGINNING, SAVE AND EXCEPT the East one-half (1/2) of Ocean Drive, an 80 foot roadway dedicated to the public use as such, containing 6.764 acres (including roadway), more or less, 5.505 acres, more or less, excluding one-half (1/2) roadway;

163614

364191

Schedule 1  
Page 8 of 22

EXHIBIT "A"



SAVE AND EXCEPT, however, the following:

Beginning at a point in the center line of Ocean Drive where the center line of Sunray Road, a forty (40') foot county road, crosses said center line of Ocean Drive as shown by Burton and Danforth Subdivision map recorded in Vol. 1 at pages 62-63 of the map records of Arkansas County, Texas, a certified photostatic copy of which is recorded in the Deed Records of San Patricio County, Texas, in Vol. 152, at page 1,

THENCE N. 18 deg. 4 min. 37 sec. East, 156.47 ft. along the center line of said Ocean Drive, an 80-foot roadway to the Northwest corner of this tract;

THENCE S. 55 deg. 25 min. East 218.55 feet to the shoreline of Redfish Bay for the Northeast corner of this tract;

THENCE S. 32 deg. 32 min. 3 sec. West, 150.1 feet with the shoreline of Redfish Bay;

THENCE S. 23 deg. 17 min. 15 sec. East, 59.47 feet along the shoreline;

THENCE S. 16 deg. 46 min. 10 sec. West, 308.88 feet along the shoreline;

THENCE S. 23 deg. 50 min. 7 sec. West, 340.40 feet along the shore to the Southeast corner of this tract;

THENCE N. 55 deg. 23 min. West, 170.17 feet to the Southwest corner in the center line of Ocean Drive;

THENCE N. 17 deg. 16 sec. 57 min. East, 345.70 feet with the center line of Ocean Drive to a corner;

THENCE N. 15 deg. 24 min. 14 sec. East, 349.46 feet along the center line of Ocean Drive to the point of beginning, containing 3.74 acres, save and except the East one-half (1/2) of Ocean Drive embraced within the above metes and bounds.

2. Pipeline Easement dated March 23, 1978, from Hugh C. Jackson to Uni Pipe Line Inc., covering a portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

3. Pipeline Easement dated March 17, 1978, from Dorothy Cathings to Uni Pipe Line, Inc., covering a portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "I" of the Burton and Danforth Subdivision, San Patricio County, Texas.

4. Pipeline Easement dated March 20, 1978, from Florence I. Duphorne to Uni Pipe Line, Inc., covering a portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

5. Pipeline Resolution of the Commissioner's Court of San Patricio County, Texas dated April 28, 1978, authorizing Uni Oil, Inc. to lay, construct, maintain and operate pipelines under, through, across and along certain public roads and highways.

6. Permit No. 1191 dated January 19, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni-Oil, pertaining to a pipeline across State Highway No. 361, San Patricio County, Texas.

7. Permit No. 1216 dated February 15, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipe Line, Inc., pertaining to a pipeline across F.M. No. 2725.

8. Perpetual 20' easement reserved in General Warranty Deed, dated May 8, 1984, from American Energy Leasing, Inc. ("Grantor") to A.C. Garrett, et al ("Grantees").

9. Perpetual 15' easement reserved in Warranty Deed, dated July 2, 1984, from American Energy Leasing, Inc. ("Grantor") to Central Power and Light Company ("Grantee").

10. Pipeline and valve station easement reserved in General Warranty Deed (With Vendor's Lien), dated March 30, 1984, from American Energy Leasing, Inc. ("Grantor") to J.D. Construction & Refinery Maintenance, Inc. ("Grantee").

11. Resolution of the City of Aransas Pass, Texas, dated November 7, 1977, granting H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the City of Aransas Pass, Texas; and Resolution of the Commissioners' Court of San Patricio County, Texas, dated November 14, 1977, granting to H & J Marine, Inc., its successors and assigns, the right to lay, construct, maintain, and operate a pipeline under, through, across and along public roads and highways under the jurisdiction of the County of San Patricio, Texas; which right of way grants and rights relating thereto were assigned by Assignment Of Right-Of-Way, dated January 23, 1978, from H & J Marine, Inc. to Uni Oil, Inc., and which right of way grants and rights relating thereto were assigned to Poda by Assignment of Rights of Way and Permit, dated January 31, 1983, and filed for record in the Official Public Records of Real Property of San Patricio County, Texas, under San Patricio County Clerk's File #315261, to which Resolutions and the assignments thereof reference is hereby made for all purposes.

12. Permit Number 1787, dated April 19, 1979, issued by the State Department of Highways And Public Transportation of the State of Texas to Uni Pipeline, Inc., pertaining to a pipeline through and under FM 1069 and FM 2725, San Patricio County, Texas, which Permit and the rights relating thereto were assigned to Poda by Assignment of Rights of Way and Permit, dated January 31, 1983, above described, to which Permit and the assignment thereof reference is hereby made for all purposes.

364191

Page 1 of 1  
Page 10 of 10

165610

EXHIBIT "A"

HANDLED BY ADW  
DX 3387  
P. CHRISTI, TEXAS 78413  
1: 812/834-0221  
2: 85 7629



CORPORATE OFFICES:  
CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

Job No. C 19,597

October 18, 1984

FILE NO: 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

DESCRIPTION of a ~~survey~~ pipeline easement across a portion of Lots 1, 2 and 3, Block 11, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the northwest corner of said Lot 3, being on the centerline of a 40.00 foot roadway between Blocks 11 and 111, said subdivision;

THENCE, along the common boundary between Lots 3 and 4, said Block 11, S 34° 37' 00" W, 20.00 feet to the southerly right-of-way of said 40.00 foot roadway, for the POINT OF BEGINNING of this easement;

THENCE, along said southerly right-of-way, S 55° 23' 00" E, 960.00 feet to the westerly right-of-way of a 60.00 foot roadway between Blocks 11 and 9 of said subdivision;

THENCE, along said westerly right-of-way, S 34° 37' 00" W, 73.50 feet;

THENCE, N 55° 23' 00" W, 960.00 feet to the common boundary between said Lots 3 and 4, Block 11;

THENCE, along said common boundary, N 34° 37' 00" E, 73.50 feet to the POINT OF BEGINNING.

MAVERICK ENGINEERING COMPANY

BY: Michael Haas  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033

MH:ms



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Page 11 of 22

364191

163617

EXHIBIT "A"  
OF 11

EXHIBIT "A"  
OF 11

05 122

October 10, 1984

FILE NO: 364191

Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410  
Attn: Mr. Daniel E. Billman, President

RECEIVED  
OCT 11 1984  
FEDERAL BUREAU OF INVESTIGATION  
U.S. DEPARTMENT OF JUSTICE  
WASHINGTON, D.C. 20535

Gentlemen:

Please make reference to that certain Earnest Money Contract dated September 24, 1984, between American Energy Leasing, Inc., a Delaware corporation ("Seller") and Billman Homes, Inc., a Texas corporation ("Purchaser"), covering 2.25 acres, more or less, out of Farm Lot 3, Land Block "O," Barton and Danforth Subdivision, San Patricio County, Texas, and all improvements thereon (the "Earnest Money Contract").

Simultaneously with the execution and delivery of this Letter Agreement, American Energy Leasing, Inc., one of the undersigned, has executed and delivered to Billman Homes, Inc., a General Warranty Deed covering the land referenced in the Earnest Money Contract and more particularly described by metes and bounds in the Exhibit "A," attached hereto and made a part hereof for all purposes (the "Land"), together with all improvements located on the Land.

The improvements located on the Land are a two-story prefabricated concrete building (the "Concrete Building") and a one-story metal building (the "Metal Building"), the location of which are outlined in a survey plat of the Land marked Exhibit "B" attached hereto and made a part hereof for all purposes.

Article V, Paragraph (A) of the Earnest Money Contract provides as follows:

**"V. LEASE AND FURNITURE AND EQUIPMENT.**

**(A) Lease:**

As part of the consideration for Seller conveying the Land to Purchaser, Purchaser agrees to lease to Seller, MidGulf Energy, Inc., or either of their assigns, at no cost or expense to Seller, MidGulf Energy, Inc. or either of their assigns, for a period of twenty-four (24) months, beginning the first day of the month immediately following the Closing (as herein defined) and ending twenty-four (24) full calendar months thereafter, the following:

(i) Three (3) contiguous executive offices, now located in the northwest corner on the ground floor of the two-story office and storage building located on and being a part of the Land (herein called the "Three Offices"); and

(ii) The area in the metal building located on and being a part of the Land in which Seller's laboratory is now located and as much of the remaining storage area in said metal building as Seller reasonably needs to store spare parts, tools,

ED  
L.B.

364191

Schedule 1  
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165618

EXHIBIT

"A"

05 123

equipment and/or supplies relative to Seller's refinery located across Bishop Road from the Land.

FILE NO. 36-1191

Purchaser, however, shall have the right, at any time during said twenty-four (24) month period, to require Seller, MidGulf Energy, Inc. or either of their assigns to vacate the Three Offices upon reasonable notice and by making available, at Purchaser's sole cost and expense, executive offices comparable in size and quality, including, but not limited to, air conditioning and lighting, in either the two-story building or the metal building described above."

The purpose of this Letter Agreement is to implement and supplement the provisions of Article V, Paragraph (A) of the Earnest Money Contract, as follows:

(1) Lease: Billman Homes, Inc. ("Billman") does hereby lease to MidGulf Energy, Inc. ("MidGulf"), and MidGulf does hereby lease from Billman, (i) three contiguous executive offices located in the northwest corner on the ground floor of the Concrete Building and as outlined in red on the said Exhibit "B" (the "Three Offices"), (ii) the area in the Metal Building in which a laboratory is now located and as much of the remaining storage area in the Metal Building as MidGulf reasonably needs to store spare parts, tools, equipment and/or supplies relative to the refinery located across Bishop Road from the Land (the "Metal Building Space") and (iii) five (5) parking spaces adjacent to the Concrete Building and/or the Metal Building (the "Parking Spaces").

(2) Term: The term of this Lease Agreement shall begin on the date hereof and shall terminate on October 31, 1985, unless otherwise extended by mutual agreement.

(3) Rent: For the term of this Lease Agreement, MidGulf shall have no rental obligation to Billman, it being understood that part of the consideration for the conveyance by American Energy Leasing, Inc. to Billman of the Land and the improvements located thereon includes, but is not limited to, the lease of the Three Offices, the Metal Building Space and the Parking Spaces to MidGulf at no rental cost to MidGulf.

(4) Use: MidGulf shall have the right to use the Three Offices and the Metal Building Space for any lawful purpose.

(5) Relocation: Billman shall have the right at any time during the term of this Lease Agreement to require MidGulf to vacate the Three Offices upon reasonable notice and by making available, at Billman's sole cost and expense, executive offices comparable in size and quality to the Three Offices, including, but not limited to, air conditioning and lighting, in either the Concrete Building or the Metal Building.

(6) MidGulf's Covenants: MidGulf covenants and agrees as follows:

(a) To take good care of the Three Offices and the Metal Building Space and suffer no waste, and at the termination of this Lease Agreement, to deliver the Three Offices and the Metal Building Space to Billman in as good

*Billman*  
*11/10*

36-1191

Exhibit A  
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11/10/85

EXHIBIT A

condition as received by MidGulf, reasonable wear and tear and damage by fire, flood, windstorm, tornado, hurricane or other elements or, without limitation by the foregoing enumeration, other causes beyond MidGulf's control excepted;

(b) To comply with all valid ordinances, regulations and laws of any municipal or other governmental authority applicable to MidGulf's use of the Three Offices and/or the Metal Building Space;

(c) To keep the interior of the Three Offices and/or the Metal Building Space in a good state of repair;

(d) To pay all taxes assessed with respect to the personal property owned by MidGulf and kept on or used in connection with the Three Offices and/or the Metal Building Space; and

(e) To pay all charges for water, gas, electricity or other utilities incurred by MidGulf in connection with the use of the Three Offices and/or the Metal Building Space.

(7) Billman's Covenants: Billman covenants and agrees as follows:

(a) That Billman has good and marketable title to the Three Offices, the Metal Building Space and the Parking Spaces in fee simple absolute, and that the same are subject to no leases, tenancies, agreements, encumbrances, liens or defects in title adversely affecting them or the rights granted MidGulf in this Lease Agreement;

(b) To keep the exterior of the Concrete Building and the Metal Building in good repair, including, but not limited to, repair and maintenance of the roof and the structural soundness of the foundation and exterior walls, and to also keep in good repair the parking area in respect of the Parking Spaces;

(c) To pay all real property taxes assessed against the Land and the improvements located thereon before the same shall become delinquent; and

(d) To carry, at Billman's expense, fire and extended coverage insurance on the Concrete Building and the Metal Building, and any contents therein belonging to Billman, in an amount not less than 80% of the full insurable value thereof, and upon request therefor, Billman agrees to furnish MidGulf evidence of such coverage. Further, Billman does hereby waive and relinquish any right of recovery from MidGulf, its agents, servants or employees for loss resulting from their acts or failure to act, which loss is covered by such insurance.

(8) Signs: MidGulf shall have the right to install at its own expense its usual signs or other items identifying its business and to make such alterations, changes or additions on or to the Three Offices and/or the Metal Building Space as it finds necessary or convenient for its purposes, provided the Three Offices, the Metal

*Billman*

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EXHIBIT "A"



Building Space, the Concrete Building and/or the Metal Building shall not be structurally damaged thereby.

(9) Assignment: MidGulf shall have the right to assign this Lease Agreement without obtaining the consent of Landlord; however, any such assignment shall be subject to all the terms and provisions of this Lease Agreement, and upon any such assignment, MidGulf shall be relieved of the obligations imposed on or assumed by it hereunder.

(10) Hold Harmless: MidGulf agrees to hold harmless Billman from and against any and all claims, demands or causes of action for any damage to person or property caused by any negligence of MidGulf its agents, servants or employees.

(11) Notices: All notices and demands which may be or are required or permitted to be given by any party to any other party herewith shall be in writing and shall be deemed to have been delivered and received by the party to whom such notice or demand is addressed on the day following the day that such notice or demand is delivered to U.S. Post Office or an official depository under the care and custody of the United States Postal Service, certified mail, postage prepaid and addressed as follows:

If to MidGulf:

MidGulf Energy, Inc.  
c/o Richard F. Bergner  
5718 Westheimer, Suite 700  
Houston, Texas 77057

If to Billman:

Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410  
Attn: Daniel H. Billman, President

Said addresses may be changed from time to time by either party by notifying the other party in writing.

(12) Parties Bound: This Lease Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(13) Governing Law: This Lease Agreement and the performance thereof shall be construed in accordance with and be governed by the laws of the State of Texas.

If the foregoing correctly sets forth your understanding of the terms and conditions relative to the lease by MidGulf, its successors and assigns of the Three Offices, the Metal Building Space and the Parking Spaces above described, then please sign triplicate originals of this letter in the space provided below, and return two (2) executed originals

DS  
DHB

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EXHIBIT OF 34

EXHIBIT, "A"



Billman Homes, Inc.  
Page Five

RECORDING'S DECLARATION  
At the time of recording, this instrument was found to be  
adequate for the best possible reproduction  
because of legibility, uniformity of print size, standard  
paper and all sections, sections and changes were  
present at the time the instrument was filed and recorded.

FILE NO. 364191

to the undersigned, whereupon this Letter Agreement shall become a binding agreement in  
accordance with its terms and provisions.

AMERICAN ENERGY LEASING, INC.

By Richard F. Bergner  
Richard F. Bergner, President

MIDGULF ENERGY, INC.

By Richard F. Bergner  
Richard F. Bergner, President

AGREED TO and accepted this 10 day of October, 1984.

BILLMAN HOMES, INC.

By Daniel H. Billman (Pres.)  
Daniel H. Billman, President

THE STATE OF TEXAS    §  
                                  §  
COUNTY OF SAN PATRICIO §

This instrument was acknowledged before me on this the 10 day of October, 1984,  
by Richard F. Bergner, President of American Energy Leasing, Inc., a Delaware  
corporation, on behalf of said corporation.

Mary E. Riley  
Notary Public in And For  
The State Of TEXAS

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Page 16 of 22

168622

EXHIBIT 14 OF 24

EXHIBIT "A"  
14 OF 24

05 127

Billman Homes, Inc.  
Page Six

RECORDED & INDEXED  
At the time of recording this instrument was found to be  
correctly indexed for the said photographic reproduction  
because of the quality, nature or other facts disclosed  
therein. All notations, additions and changes were  
made to the time the instrument was filed and recorded.

FILE NO. 364191

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

This instrument was acknowledged before me on this the 10 day of October, 1984,  
by Richard F. Bergner, President of MidGulf Energy, Inc., a Texas corporation, on behalf  
of said corporation.

*May E. Riley*  
Notary Public In And For  
The State Of TEXAS

THE STATE OF TEXAS §  
COUNTY OF SAN PATRICIO §

This instrument was acknowledged before me on this the 10 day of October, 1984,  
by Daniel H. Billman, President of Billman Homes, Inc., a Texas corporation, on behalf of  
said corporation.

*May E. Riley*  
Notary Public In And For  
The State Of TEXAS

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EXHIBIT "C"  
PAGE 19 OF 24

EXHIBIT "A"

1 CHANCELLOR RD  
BOX 7117  
SPUS CHRISTI, TEXAS 78413  
TEL: 812/840281



CORPUS CHRISTI, TEXAS  
BRANCHES: HOUSTON, TEXAS  
SAN ANTONIO, TEXAS  
CORPUS CHRISTI, TEXAS

FILE NO Job No. C 26,376

October 4, 1934

FILE NO. 364191

STATE OF TEXAS  
COUNTY OF SAN PATRICIO

FIELDNOTE DESCRIPTION of a portion of Lot 3, Block O, Burton and Danforth Subdivision, as shown by map recorded in Volume 152, Page 1, Deed Records, San Patricio County, Texas, described as follows:

COMMENCING at the southwesterly corner of said Lot 3, being at the intersection of the centerline of Farm-to-Market Road 2725 with the centerline of a 40.00 foot roadway between Blocks K and O of said subdivision;

THENCE, along the centerline of said 40.00 foot roadway and the southerly boundary of said Lot 3, S 55° 23' 00" E, 50.00 feet to the easterly right-of-way of said Farm-to-Market Road, for the POINT OF BEGINNING of this tract;

THENCE, along said easterly right-of-way, N 34° 37' 00" E, at 20.00 feet pass a 5/8 inch iron rod set on the northerly right-of-way of said 40.00 foot roadway, in all 394.97 feet to a 5/8 inch iron rod set inside a 1-1/2 inch iron pipe found;

THENCE, S 55° 23' 00" E, 280.00 feet to a 5/8 inch iron rod found on the easterly boundary of said Lot 3;

THENCE, along said easterly boundary, S 34° 37' 00" W, at 374.06 feet pass a brass monument in concrete found, at 374.97 feet pass the northerly right-of-way of said 40.00 foot roadway, in all 394.97 feet to the southeasterly corner of said Lot 3, being on the centerline of said 40.00 foot roadway;

THENCE, along said centerline and the southerly boundary of said Lot 3, N 55° 23' 00" W, 280.00 feet to the POINT OF BEGINNING.

CONTAINING 2.5385 acres, more or less, of which 0.1286 acre is in road right-of-way.

MAVERICK ENGINEERING COMPANY

BY:

*Michael Haas*  
Michael Haas  
Registered Public Surveyor  
Texas No. 2033

WHS

*20713*



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Schedule 1  
Page 18 of 22

165624

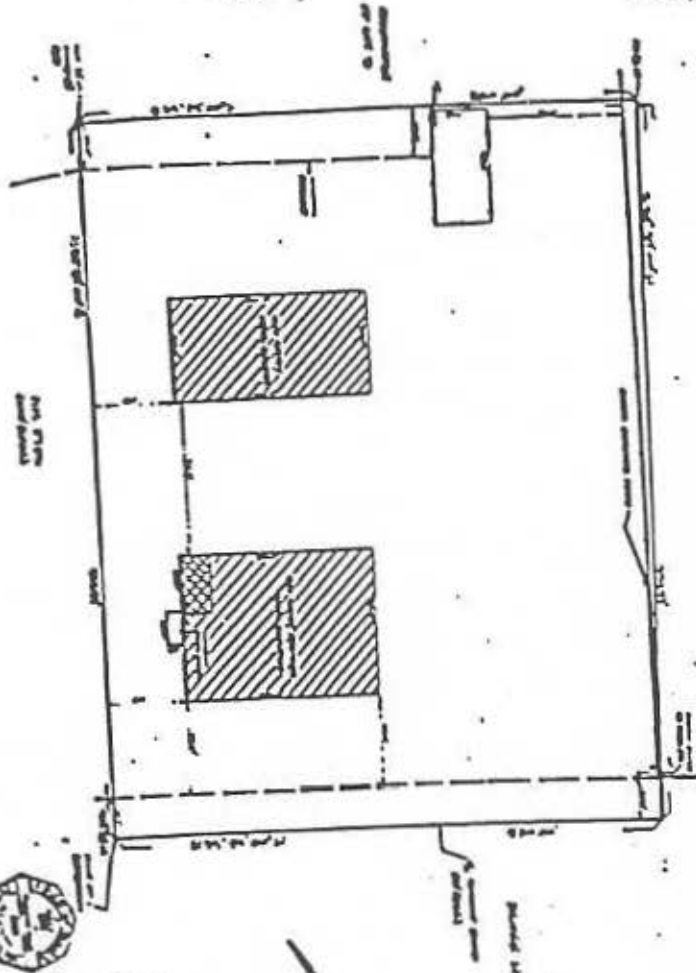
EXHIBIT, "A"

EXHIBIT  
PAGE 18 OF 22

05 129

RECORDED BY MICROFILM  
 At the time of recording the instrument was found to be  
 inadequate for the best photographic reproduction  
 because of irregular surface of paper used. Therefore  
 same was on glass and carbon and changes were  
 made of the instrument and the same was recorded.

FILE NO. 364191



<p>364191</p>	
<p>Schedule 1</p>	
<p>Page 19 of 22</p>	
<p>EXHIBIT "A"</p>	
<p>168625</p>	
<p>EXHIBIT PAGE 21 OF 24</p>	

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EXHIBIT "A"

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October 17, 1984

FILE NO. 364191

Mr. Daniel H. Billman  
President  
Billman Homes, Inc.  
4125 Violet Road  
Corpus Christi, Texas 78410

ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED  
DATE 01-11-2001 BY 60322  
EXEMPT FROM GDS, E.O. 13526

Dear Dan:

Please make reference to that certain Letter Agreement, dated October 10, 1984, between American Energy Leasing, Inc., a Delaware corporation, and MidGulf Energy, Inc., a Texas corporation, on the one hand, and Billman Homes, Inc., a Texas corporation, on the other hand (the "Lease Agreement").

As you know, the Lease Agreement was entered into as part and parcel of the sale by American Energy Leasing, Inc. to Billman Homes, Inc. of 2.5388 acres, more or less, of the surface estate out of Farm Lot 3 in Block "O," Burton & Danforth Subdivision, Abstract 184, San Patricio County, Texas and all improvements thereon; and furniture, fixtures and equipment described in Bill of Sale, dated October 10, 1984, from American Energy Leasing, Inc. to Billman Homes, Inc., reference being made to said Bill of Sale for all purposes.

This letter agreement shall serve as an addendum to the Lease Agreement (this "Addendum"). Terms defined in the Lease Agreement shall have the same meaning in this Addendum as in the Lease Agreement.

As we discussed, in addition to the Three Offices, the Metal Building Space and the Parking Spaces, it was agreed that MidGulf Energy, Inc., its successors and assigns, at no cost or expense (except as otherwise stated in this Addendum), shall also have the exclusive use and possession of office furniture and equipment (sold to Billman Homes, Inc. pursuant to said Bill of Sale) reasonably necessary for use in the Three Offices, as well as the exclusive use and possession of the storage racks and the portable metal building behind the Metal Building (also sold to Billman Homes, Inc. pursuant to said Bill of Sale), all for the term of the Lease Agreement.

MidGulf Energy, Inc., its successors and assigns, agrees to take good care of said office furniture and equipment, storage racks and portable building and, upon the termination of the Lease Agreement, to deliver them to Billman Homes, Inc. in as good condition as received, reasonable wear and tear excepted.

MidGulf Energy, Inc. also shall have the right to assign the rights and obligations contained in this Addendum without obtaining the consent of Billman Homes, Inc., provided that any such assignment shall be subject to the terms and provisions of this Addendum and upon such assignment, MidGulf Energy, Inc. shall be relieved of the obligations imposed on or assumed by it hereunder.

Except as supplemented by this Addendum, the Lease Agreement shall remain unchanged and in full force and effect.

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EXHIBIT "C"  
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EXHIBIT "A"

Mr. Daniel H. Billman  
October 17, 1984  
Page Two

RECORDERS' MEMORANDUM  
At the time of recording, this instrument was examined and found to be a true and correct copy of the original as presented for recording.  
Witness my hand and seal of office this 17th day of October, 1984.  
Notary Public for the State of Texas

FILE NO: 364191

Please confirm your agreement with this Addendum by signing duplicate originals hereof in the space provided below and returning the duplicate originals to the undersigned. The third original also enclosed is for the files of Billman Homes, Inc.

Very truly yours,

AMERICAN ENERGY LEASING, INC.

By *Richard F. Bergner*  
Richard F. Bergner, President

MIDGULF ENERGY, INC.

By *Richard F. Bergner*  
Richard F. Bergner, President

AGREED AND accepted this 22<sup>nd</sup> day of October, 1984.

BILLMAN HOMES, INC.

By *Daniel H. Billman*  
Daniel H. Billman, President

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FILE NO: 364191

1. Texas Air Control Board Permit No. R-5027 (Crude Oil Topping Plant and Barge Dock No. R-1 Ingleside, San Patricio County, Texas), Permit No. R-5625 (Crude Oil Topping Unit No. R-2 Ingleside, San Patricio County, Texas), and Permit No. C-7557 (Unleaded Gasoline Production Facility Ingleside, San Patricio County, Texas); and
2. Texas Department Of Water Resources Permit No. 02142, approved November 17, 1980, as renewed by Texas Water Commission order, dated March 30, 1983

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EXHIBIT A  
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EXHIBIT \_\_\_\_\_  
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FILE NO. 364191

AFFIDAVIT OF SERVICE

THE STATE OF TEXAS 5  
COUNTY OF HARRIS 5

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Susan J. Haywood, to me well known, who, being first duly sworn according to the law, on oath stated:

"At the request of American Energy Leasing, Inc. (the "Lender"), beneficiary under that certain Deed Of Trust And Security Agreement, dated November 30, 1985 (the "Deed Of Trust"), executed and delivered by Falcon Refining Company to Richard F. Bergner, Trustee, recorded under the San Patricio County Clerk's File No. 344362 of the Official Public Records of Real Property of San Patricio County, Texas, securing payment of the indebtedness evidenced by that certain (i) promissory note, dated November 30, 1985, in the original principal sum of Three Hundred Seventy-Six Thousand Nine Hundred Ninety-Five And No/100 Dollars (\$376,995.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc., and (ii) promissory note, dated November 30, 1985, in the original principal sum of Two Million Two Hundred Thousand And No/100 Dollars (\$2,200,000.00), executed by Falcon Refining Company and payable to the order of American Energy Leasing, Inc. and any and all other indebtedness secured by and described in said Deed Of Trust, I served the Notice Of Trustee's Sale, dated September 14, 1987, executed by Richard F. Bergner, Trustee under the Deed Of Trust, which Notice Of Trustee's Sale covers the property described in and secured by the Deed Of Trust (said Notice Of Trustee's Sale giving the time, date, place and terms of sale, and the property to be sold), on each debtor obligated to pay the above described indebtedness; the names and most recent addresses of said debtors, according to the records of Lender, being as follows:

Debtor:

Falcon Refining Company  
7322 Southwest Freeway, Suite 850  
Houston, Texas 77074

Guarantors:

Mr. Thomas H. Hajecate  
7322 Southwest Freeway, Suite 850  
Houston, Texas 77074

Mr. Thomas M. Hajecate  
7322 Southwest Freeway, Suite 850  
Houston, Texas 77074.

I served said Notice Of Trustee's Sale on September 14, 1987, at 5:00 o'clock p.m., by depositing fully executed counterparts of the same in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to said debtor and guarantors at the addresses listed above."

EXECUTED this 7th day of October, 1987.

  
SUSAN J. HAYWOOD

364191

168623

FILE NO. 364191

SUBSCRIBED AND SWORN TO before me, the undersigned authority, on this 7th day of October, 1987.



MARGARET M. MCGOWAN  
Notary Public in and for Harris County, TX  
My Commission Expires 10/01/90

Margaret M. McGowan  
Notary Public in And For  
The State Of TEXAS

THE STATE OF TEXAS    §  
                                 §  
COUNTY OF HARRIS    §

This instrument was acknowledged before me on the 7th day of October, 1987, by  
Susan J. Haywood.



MARGARET M. MCGOWAN  
Notary Public in and for Harris County, TX  
My Commission Expires 10/01/90

Margaret M. McGowan  
Notary Public in And For  
The State Of TEXAS

364191

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168630

EXHIBIT \_\_\_\_\_  
FILED \_\_\_\_\_

05 135

*Mustie's Land*

FILE NO: 364191 COMPALD

*Silsons Refining Co*

*to*

*American Energy Leasing, Inc*

FILED FOR RECORD

at 9:10 o'clock PM

OCT 8 1987

DOTTIE MALEY  
CLERK COUNTY COURT SAN PATRICK CO., TEX.

By Janis Foster Deputy

Janis Foster

*pd. 14900*

*Attn: Richard J. Burgess*  
*5418 Westheimer, Suite 700*  
*Houston, TX 77057*

THE STATE OF TEXAS  
COUNTY OF SAN PATRICK  
I HEREBY CERTIFY  
THAT THIS INSTRUMENT WAS FILED ON THE DATE AND  
TIME STAMPED HEREON BY ME AND WAS DULY RECORDED  
ON THE 8th DAY OF Oct 1987 FILE NO.  
364191  
OF THE REAL PROPERTY RECORDS  
OF SAN PATRICK COUNTY, TEXAS.  
DOTTIE MALEY  
COUNTY CLERK  
SAN PATRICK  
COUNTY, TEXAS  
By Janis Foster  
DEPUTY

*Janis Foster*

364191

168631

LEASE AGREEMENT

THE STATE OF TEXAS     ]

COUNTY OF SAN PATRICIO ]

THIS LEASE AGREEMENT is made and entered into this 18<sup>th</sup> day of SEPTEMBER, 1979, to be effective as of the 1st day of September, 1979, by and between THOMAS M. HAJECATE AND THOMAS H. HAJECATE, UNI INTERNATIONAL CORPORATION, and UNI PIPELINE, INC., hereinafter referred to as "Lessor" and UNI REFINING, INC., hereinafter referred to as "Lessee."

ARTICLE 1. DEMISE OF LEASED PREMISES

A. Lessor for and in consideration of the rents, covenants, and promises herein contained to be kept, performed, and observed by Lessee, does hereby lease and demise to Lessee, and Lessee does hereby rent and accept from Lessor, that real property, more particularly described in Exhibit A, attached hereto and made a part hereof.

B. TO HAVE AND TO HOLD the said real property, together with all improvements now or hereafter situated thereon, and all rights, privileges, easements, appurtenances, and immunities belonging to or in any way appertaining to said property; including, but not limited to, any and all easements, rights, title, and privileges of Lessor now or hereafter existing in, to, or under adjacent streets, sidewalks, alleys, party walls, and property contiguous to said property and reversions which may hereafter accrue to Lessor as owner of the property by reason of the closing of any street, sidewalk, or alley (said real property described in Exhibit A, together with all said improvements, rights, privileges, easements, appurtenances, immunities, and reversions being herein referred to as the "leased premises").

ARTICLE 2. LEASE TERM

A. This lease shall be for a term of seven (7) years, referred to as the lease term, commencing on September 1, 1979, and ending on August 31, 1986; subject, however, to earlier termination as hereinafter provided.

Early termination of this lease will be granted, with no penalties, upon receipt of thirty (30) days written notice by Lessee; provided, however, that in no event may this lease be terminated without the prior written consent of the holder of the first mortgage or deed of trust, if any, on the Lessee's interest in the leasehold estate created by this lease who shall have given notice to Lessor pursuant to Article 8.B. (the holder

of any such first mortgage or deed of trust being herein called "First Mortgagee" and any such first mortgage or deed of trust being herein called "First Mortgage").

B. This Lease may be extended by Lessee for three (3) additional five (5) year periods beginning with the expiration date of the initial term hereof, provided Lessee shall advise Lessor in writing of such intention to extend this Lease one (1) year before expiration of the initial term or any extended five (5) year term, upon the following terms and conditions: Effective on an option renewal date the annual rent for the sixty (60) months term of the extension shall be increased to a sum equal to the rent provided for in Article 3.A. multiplied by a fraction, the numerator of which shall be the U. S. Department of Labor, Bureau of Labor Statistics, "All Urban Consumers," Consumer Price Index, U. S. city average (1967 equals 100%) based on all items (or the successor to such index) as of the latest date available preceding the date of the commencement of such term, and the denominator of which shall be 197.8 (or in the event of any re-evaluation or revision in said index or its successors, an equivalent index figure), it being Lessor's and Lessee's intentions that the rent payable hereunder shall be adjusted upward in the event of an increase in the Consumer Price Index, as herein provided.

C. If Lessee shall hold over after the expiration of the lease term, or any extension, such tenancy, shall be from month to month on all the terms, covenants, and conditions of this lease.

#### ARTICLE 3. RENT

A. Lessee agrees to pay to Lessor as rental for the use and occupancy of the leased premises under this lease the sums noted in Exhibit B, attached hereto and made a part hereof, payable in equal monthly installments, in advance, beginning on the first business day of September, 1979, and of each subsequent month during the term of this lease.

B. All installments of rent hereunder, when and as the same become due and payable, shall be paid in lawful money of the United States at the time to 6330 Gulfton, Suite 300, Houston, Texas 77081.

C. Notwithstanding anything to the contrary contained in this Article 3.A., Article 2.B., or any other provision of this lease, upon foreclosure of any, First Mortgage or upon as - assignment "of the leasehold estate" in lieu thereof, the annual rent for the remainder of the term and any renewal term shall be reduced to \$10.00 per annum.

#### ARTICLE 4. TAXES

In addition to the rental, Lessee shall pay and discharge all taxes, general and special assessments, and other charges of every description which during the term of this lease may be levied on or assessed against the leased premises and all interests therein and all improvements and other property thereon, whether belonging to Lessor to Lessee, or to which either of them may become liable. Lessee shall pay all such taxes, charges, and assessments to the public officer charged with the collection thereof not less than fifteen (15) days before the same shall become delinquent, and Lessee agrees to indemnify and hold harmless Lessor from all such taxes, charges, and assessments. Lessee shall have the right in good faith at his own sole cost and expense (in his own name or in the name of Lessor, or both, as Lessee may determine appropriate) to contest any such taxes, charges, and assessments, and shall be obligated to pay the contested amount only if and when finally determined to be due.

#### ARTICLE 5. UTILITIES

Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and any and all other utilities used on the leased premises throughout the term of this lease, including any connection fees.

#### ARTICLE 6. USE OF PREMISES

Lessee shall have the right to use the leased premises for any lawful purposes. In this connection, and without detracting from the foregoing, it is understood and agreed that the primary purpose for which the leased premises have been leased and hired is for the operation, maintenance and further development and construction of a crude oil refinery facility, including holding tank facilities, pipelines, administrative buildings, truck terminals, and other facilities related to the operations of the Lessee.

#### ARTICLE 7. CONSTRUCTION BY LESSEE

A. Lessee shall have the right at any time and from time to time during the term of this lease, to erect, maintain, alter, remodel, reconstruct, rebuild, replace, and remove buildings and other improvements on the leased premises, and correct and change the contour of the leased premises, subject to the following general conditions:

(1) The cost of any such construction, reconstruction, demolition, or of any change alteration, or improvements, shall be borne and paid for by Lessee.

(2) Lessor shall be notified at the time of commencement of any work.

B. In order to provide for the more orderly development of the leased premises, it may be necessary, desirable, or required that street, water, sewer, drainage, gas, power lines, and other easements and dedications, and similar rights be granted or dedicated over or within portions of said leased premises. Lessor shall, on request of Lessee, join with Lessee in executing and delivering such documents, from time to time, and throughout the term of this lease, as may be appropriate, necessary, or required by the several governmental agencies, public utilities, and companies for the purpose of granting such easements and dedications.

C. In the event that Lessee deems it necessary or appropriate to obtain use, zoning, or subdivision and precise plan approval and permits for the leased premises, or any part thereof, Lessor agrees, from time to time, on request of Lessee, to execute such documents, petitions, applications, and authorizations as may be appropriate or required to submit the leased premises, or any part thereof, for the purposes of obtaining conditional use permits, zoning and rezoning, tentative and final tract approval, precise plan approval, and further, for the purposes of annexation to or the creation of districts and governmental subdivisions.

D. At the request of Lessee, Lessor shall, from time to time, execute and deliver or join in the execution and delivery of such documents as are appropriate, necessary, or required to impose on the leased premises covenants, conditions, and restrictions providing for the granting of exclusive uses of the leased premises, or any part thereof, including the rights of ingress and egress, and other like matters, all of which are for the purpose of the orderly development of the leased premises as a commercial unit.

E. In each of the foregoing instances, Lessor shall be without expense therefore, the cost and expense thereof to be borne solely by Lessee.

F. For the purpose of accomplishing the foregoing, or any of them, Lessor hereby appoints Lessee as Lessor's attorney in fact and agent (to be irrevocable so long as this lease remains in full force and effect which shall be deemed to be a power coupled with an



interest) to execute and deliver and to record any documents which may be appropriate, necessary, or required to accomplish any of the foregoing, in the name of Lessor, and any such execution and delivery and recordation may be relied on by any third person.

G. No structure or other improvement, the plans, specifications, and proposed location of which have not first received the written approval of Lessor, or which do not comply with such approved plans, specifications, and locations, shall be constructed or maintained on the leased premises. No material addition to or alteration of any building or structure erected on the leased premises shall be commenced unless and until plans and specifications covering the exterior of the proposed addition or alteration shall have been first submitted to and approved by Lessor.

H. The following items do not require submission to, and approval by Lessor of plans and specifications:

1. Such minor repairs and alterations as may be necessary to continue the structures and improvements already placed in a useful state of repair and operation; and
2. Such changes and alterations, either at the time of the original construction or thereafter as may be required by an authorized public official having authority or jurisdiction over such structures or improvements, in order to comply with legal requirements.

I. The approval by Lessor of any plans and specifications refers only to the conformity of such plans and specifications to the general architectural plan for the leased premises and such approval shall not be withheld unreasonably. Such plans and specifications are not approved for architectural or engineering design and Lessor, by approving such plans and specifications, assumes no liability or responsibility therefor or for any defect in any structure constructed from such plans or specifications.

J. It is expressly understood and agreed that any and all buildings, improvements, fixtures, machinery, and equipment whatsoever nature now or hereafter constructed, placed, or maintained on any part of the leased premises shall be and remain the property of Lessee, or its sublessees, as their interests may appear.

K. Lessee shall have the right at any time during Lessee's occupancy of the leased premises, or within a reasonable time thereafter, to remove any and all buildings, improvements, fixtures, and all equipment owned or placed by Lessee, its sublessees or licensees, in, under, or on the leased premises, or acquired by Lessee, whether before or during the lease term, but Lessee shall not be obliged to do so. Any buildings, improvements, fixtures, or equipment which are not removed shall become the property of Lessor upon the termination of this lease.

#### ARTICLE 8. ENCUMBRANCE OF LEASEHOLD ESTATE

A. Lessee may, at any time and from time to time, encumber the leasehold interest, by deed of trust, mortgage, or other security instrument, without obtaining the consent of Lessor, but no such encumbrance shall constitute a lien on the fee title of Lessor, and the indebtedness secured thereby, shall at all times be and remain inferior and subordinate to all the conditions, covenants, and obligations of this lease and to all of the rights of the Lessor hereunder.

B. If at any time after execution and recordation in San Patricio County, Texas, of any such mortgage or deed of trust, the mortgagee or trustee therein shall notify Lessor in writing that any such mortgage or deed of trust has been given and executed by Lessee, and shall at the same time furnish Lessor with the address to which it desires copies of notices to be mailed, or designate some person or corporation in the City of Houston, Texas, as its agent and representative for the purpose of receiving copies of notices, Lessor hereby agrees that he will thereafter mail to such mortgagee or trustee and to the agent or representative so designated by such mortgagee or trustee, at the address so given duplicate copies of any and all notices in writing which Lessor may from time to time give or serve upon Lessee under and pursuant to the terms and provisions of this lease.

C. Any lender on the security of the leasehold estate shall have the right at any time during the term of this lease:

(1) To do any act or thing required of Lessee hereunder and all such acts or things done and performed shall be as effective to prevent a forfeiture of Lessee's rights hereunder as if done by Lessee; and

(2) To realize on the security afforded by the leasehold estate

by exercising foreclosure proceedings or power of sale or other remedy afforded in law or in equity or by the security documents and to transfer, convey, or assign the title of Lessee to the leasehold estate created hereby to any purchaser at any such foreclosure sale, and to acquire and succeed to the interest of Lessee hereunder by virtue of any such foreclosure sale. No such mortgagee or trustee of the rights or interests of Lessee hereunder shall be or become liable to Lessor as an assignee of this Lease or otherwise until it expressly assumes by written instrument such liability, and no assumption shall be inferred from or result from foreclosure or other appropriate proceedings in the nature thereof or as the result of any other action or remedy provided for by such mortgage or deed of trust or other instrument or from a conveyance from Lessee pursuant to which the purchaser at foreclosure or grantee shall acquire the rights and interest of Lessee under the terms of this lease.

D. This lease may not be amended, modified or terminated without the prior written consent of the First Mortgagee.

#### ARTICLE 9. REPAIRS AND RESTORATION

A. In the event the building or any building or improvements thereafter constructed on the leased premises is damaged by fire or any other casualty, regardless of the extent of such damage or destruction, Lessee may commence the work of repair, reconstruction, or replacement of the damaged or destroyed building or improvement and prosecute the same with reasonable diligence so that the building, to the extent originally constructed by Lessee, shall be restored to substantially the condition it was in prior to the happening of the casualty; provided, however, that if the commencement, construction, or completion of said repair, reconstruction, or replacement work shall be prevented or delayed by reason of war, civil commotion, acts of God, strikes, governmental restrictions or regulations, or interferences, fire or other casualty, or any other reason beyond the control of Lessee, whether similar to any of those enumerated or not, the time for the commencing or completing, or both, of the construction of said building, as the case may be, shall automatically be extended for the period of each such delay.

B. If any mechanics' liens or materialmen's liens shall be recorded against the leased premises, or any improvements thereof, Lessee shall cause the same to be removed or, in the alternative, if Lessee in good faith desires to contest the same, Lessee shall be privileged to do so, but in such case Lessee hereby agrees to indemnify and hold Lessor harmless

from all liability for damages occasioned thereby and shall, in the event of a judgment of foreclosure on said mechanics' lien, cause the same to be discharged and removed prior to the execution of such judgment.

#### ARTICLE 10. CONDEMNATION

A. In the event the leased premises or any part thereof shall be taken for public or quasi-public purposes by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, the interests of Lessor and Lessee in the award or consideration for such transfer and the effect of the taking or transfer on this lease shall be as provided by this article; provided, however, that if Lessee's interest in the leasehold estate shall be encumbered by a First Mortgage, such award or consideration (including the allocation and division thereof) and the effect of the taking shall be as provided in said First Mortgage, notwithstanding anything in this Article 10 to the contrary.

B. Subject to the terms of any First Mortgage to the contrary, in the event the entire leased premises is taken or so transferred, this lease and all of the right, title, and interest thereunder shall cease on the date title to such land so taken or transferred vests in the condemning authority, and the proceeds of such condemnation shall be divided in accordance with the relative fair market values of the leased premises and Lessee's improvements.

C. In the event of the taking or transfer of only a part of the leased premises leaving the remainder of the premises in such location, or in such form, shape, or reduced size as to be not effectively and practicably usable in the opinion of Lessee for the purpose of operation thereon of Lessee's business, this lease and all right, title, and interest thereunder shall cease on the date title to the land or the portion thereof so taken or transferred vests in the condemning authority; provided, however, that this lease may not be terminated without the prior written consent of the First Mortgagee.

D. In the event of such taking or transfer of only a part of the leased premises leaving the remainder of the premises in such location and in such form, shape, or size as to be used effectively and practicably in the opinion of Lessee for the purpose of operation thereon of Lessee's business, this lease shall terminate and end as to the portion of the premises

so taken or transferred as of the date title to such portion vests in the condemning authority, but shall continue in full force and effect as to the portion of the leased premises not so taken or transferred. From and after such date, the rental required to be paid by Lessee to Lessor shall be reduced during the unexpired portion of this lease to that proportion of the annual fixed rental herein reserved which the value of the part of the leased premises not so taken bears to the value of the total of the leased premises, such values to be determined as of the date of the actual commencement of the physical taking of said premises when Lessee is disturbed in his possession as a result thereof but immediately before any actual taking.

E. A voluntary conveyance by Lessor to a public utility, agency, or authority under threat of a taking under the power of eminent domain in lieu of formal proceedings shall be deemed a taking within the meaning of this article.

F. Notwithstanding anything to the contrary contained in this Article 10.

#### ARTICLE 11. INSURANCE

A. During the period of construction of any building or other improvement on the leased premises, and at all times thereafter during the lease term, Lessee shall keep the improvements insured against loss or damage by fire, with extended coverage endorsement of its equivalent in such responsible insurance companies as Lessee shall select and Lessor shall approve, and in amounts not less than ninety (90) percent of the fair insurable value of the buildings and other improvements. Such policy or policies of insurance shall name both Lessor and Lessee as a named insured (as well as any holder of a mortgage or deed of trust on the Lessee's interest in the leasehold estate created hereby) and shall provide that proceeds shall be payable solely to Lessee, which sum Lessee shall use for repair and restoration purposes provided, however, at any time that there is a First Mortgage on the leasehold estate, all insurance proceeds will be disbursed and applied in accordance with the applicable provisions of the First Mortgage. All such insurance shall be issued by companies as required by any such mortgagee or trustee, or if not so required, reasonably acceptable to any such mortgagee or trustee.

B. Lessee, at his own expense agrees to provide and keep in force during the term of this lease, liability and property damage insurance covering Lessor as well as Lessee with one or more responsible insurance companies duly authorized to transact business in Texas, the property damage insurance to be in the amount of not less than \$30,000,000 and liability insurance to be in the amount of not less than \$500,000 for one person, and not less than \$500,000 for one accident, protecting Lessor and Lessee against liability to any employees or servants of Lessee and to any other person or persons whomsoever arising out of or in connection with the occupation, use, or condition of the leased premises.

C. Lessee agrees at his own cost and expense to obtain and maintain (to the extent reasonably procurable) at all times when demolition, excavation, or construction work is in progress on the premises, construction liability insurance with responsible insurance companies, legally authorized to transact business in the State of Texas with limits of \$1,000,000 for damages to persons and \$1,000,000 property damage, protecting Lessor and Lessee as well as such other person or persons as Lessee may designate against any and all liability for injury or damage to any person or property in any way arising out of such demolition, excavation, or construction work.

D. Lessee shall furnish Lessor with certificates of all insurance required by this Article. Lessee agrees if it does not keep such insurance in full force and effect that Lessor may notify Lessee of such failure and if Lessee does not deliver to Lessor within ten (10) days after such notice certificates showing all such insurance to be in full force and effect, Lessor may, at his option, take out the necessary insurance to comply with the provisions hereof, and pay the premiums on the items specified in such notice and Lessee covenants thereupon on demand to reimburse and pay Lessor any amount so paid or expended in the payment of the insurance premiums required hereby and specified in the notice, with interest thereon at the



rate of ten (10) percent per annum from the date of such payment by Lessor until repaid by Lessee.

E. Lessor shall not be liable for any loss, damage, or injury of any kind or character to any person or property arising from any use of the leased premises, or any part thereof, or caused by any defect in any building, structure, or other improvement thereon or in any equipment or other facility therein, or caused by or arising from any act or omission of Lessee, or of any of his agents, employees, licensees, or invitees, or by or from any accident on the land or any fire or other casualty thereon, or occasioned by the failure of Lessee to maintain the premises in safe condition, or arising from any other cause whatsoever; and Lessee hereby waives on its behalf all claims and demands against Lessor for any such loss, damage, or injury of Lessee, and hereby agrees to indemnify and hold Lessor entirely free and harmless from all liability for any such loss, damage, or injury of other persons, and from all costs and expenses arising therefrom.

#### ARTICLE 12. ASSIGNMENT AND SUBLEASE

A. Lessee may sell or assign his leasehold estate in its entirety or any portion of the unexpired term thereof, or may sublet the leased premises or any portion of the same or any portion of any building erected on said premises at any time and from time to time, and the rights of Lessee, or any successor or assignee of Lessee, may pass by operation of law. It is agreed, however, that each such transfer, assignment, or sale shall be subject to the obligations to Lessor as set forth in this instrument, and shall not release Lessee of his obligations hereunder.

#### ARTICLE 13. DEFAULT AND REMEDIES

A. Should Lessee default in the performance of any covenant, condition, or agreement in this lease, and such default is not corrected within sixty (60) days after receipt of written notice from Lessor to Lessee and any lender, Lessor may declare this lease, and all rights and interest created by it, to be terminated. Upon Lessor electing to terminate, this lease shall cease and come to an end as if that were the day originally fixed herein for the



expiration of the term hereof. Lessor, his agent or attorney, may resume possession of the premises and relet the same for the remainder of the term at the best rent Lessor, his agent or attorney, may obtain for the account of Lessee, who shall make good any deficiency.

B. Notwithstanding the exercise by Lessor of any remedy, the same shall not affect the existence of sublease covering any portion of the leased premises entered into with Lessee, in accordance with the terms of this lease.

#### ARTICLE 14. WARRANTIES

A. Lessor hereby represents and warrants that he is the owner in fee simple absolute of the leased premises subject to covenants, conditions, restrictions, easements, and other matters of record.

B. Lessor covenants and agrees that Lessee on paying the rent and other charges herein provided for and observing and keeping the covenants, conditions, and terms of this lease on Lessee's part to be kept or performed, shall lawfully and quietly hold, occupy, and enjoy the leased premises during the term of this lease without hinderance of Lessor or any person claiming under Lessor except such portion of the leased premises, if any, as shall be taken under the power of eminent domain.

#### ARTICLE 15. GENERAL PROTECTIVE PROVISIONS

A. Lessee shall permit Lessor or Lessor's agents, representatives, or employees to enter on the leased premises for the purpose of inspection, to determine whether Lessee is in compliance with the terms of this lease, for purposes of maintaining, repairing, or altering the premises, or for the purpose of showing the leased premises to prospective lessees, purchasers, mortgagees, or beneficiaries under trust deeds.

B. The relationship between Lessor and Lessee at all times shall remain solely that of landlord and tenant and not be deemed a partnership or joint venture.

C. It is expressly understood and agreed that if the commencing of construction of the building provided for in Article 7 hereof or the completion of the same or the curing of any default

(other than failure to pay rent, insurance premiums, or ad valorem taxes) or the performance of any other covenant, agreement, obligation, or undertaking herein contained is delayed by reason of war, civil commotion, act of God, governmental restrictions, regulations, or interferences, fire or other casualty, or any circumstances beyond Lessee's control or beyond the control of the party obligated or permitted under the terms hereof to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, each such party shall be excused from doing or performing the same during such period of delay.

D. Neither bankruptcy, insolvency, assignment for the benefit of creditors, nor the appointment of a receiver shall affect this lease so long as all covenants of the Lessee or Lessor are continued in performance by Lessee or Lessor and their respective successors or legal representatives.

E. No waiver by Lessor of any default or breach of any covenant, condition, or stipulation herein contained shall be treated as a waiver of any subsequent default or breach of the same or any other covenant, condition, or stipulation hereof.

F. Lessee agrees not to use the leased premises or any building situated upon said premises, or any part thereof, for any use or purpose in violation of any valid and applicable law, regulation, or ordinance of the United States, the State of Texas, or the City of Ingleside, or other lawful authority, having jurisdiction over the leased premises; provided, however, that there shall be no violation by Lessee of this provision unless and until Lessor has notified Lessee in writing, specifying the alleged violation and until there has been a final adjudication that the specified use is in violation of the law, regulation, or ordinance specified in such written notice, and that such specified law, regulation, or ordinance is valid and applicable to the leased premises, and until Lessee has had a reasonable time after such final adjudication to cure the specified violation.

G. In the event Lessor shall sell or transfer the leased premises or any part thereof and as a part of such transaction shall assign its interest as Lessor in and to this lease, then from and after

the effective date of such sale, assignment, or transfer, Lessor shall have no further liability under this lease to Lessee except as to matters of liability which shall have accrued and are unsatisfied as of such date, it being intended that the covenants and obligations contained in this lease on the part of Lessor shall be binding on Lessor and its successors and assigns only during and in respect of their respective successive period of ownership of the fee.

H. If more than one Lessee is named under this lease, the obligation of all such Lessees shall be, and is, joint and several.

I. All rents or other sums, notices, demands, or requests from one party to another may be personally delivered or sent by mail, certified or registered, postage prepaid, to the addresses stated in this paragraph, and shall be deemed to have been given at the time of personal delivery or at the time of mailing.

J. All payments, notices, demands, or requests from Lessee to Lessor shall be given to Lessor at 6330 Gulfton, Suite 300, Houston, Texas 77081, or at such other address as Lessor shall request in writing.

K. All payments, notices, demands, or requests from Lessor to Lessee shall be given to Lessee at 6330 Gulfton, Suite 300, Houston, Texas 77081, or at such other address as Lessee shall request in writing.

L. If more than one Lessee is named in this lease, service of any notice on any one of the Lessees shall be deemed service on all of the Lessees.

M. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this agreement.

N. This agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in San Patricio County, Texas.

O. In case any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

P. This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

Q. No amendment, modification, or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereof, it being understood that the prior written consent of the First Mortgagee must be obtained as to any amendment, modification or alteration.

R. The rights and remedies provided by this lease agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

S. In the event Lessor or Lessee breaches any of the terms of this agreement whereby the party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting party agrees to pay the other party reasonable attorneys' fees so incurred by such other party.

T. Time is of the essence of this agreement.

U. Lessor agrees that he will from time to time and at any reasonable time execute and deliver to Lessee such other and further instruments and assurances as Lessee may reasonably request approving, ratifying, and confirming this lease and the leasehold estate created hereby and certifying that the same is in full force and effect and that no default thereunder on the part of Lessee does exist, Lessor shall specify in said certificate each such default.

THIS LEASE has been executed by the parties on the date and year first above written.

LESSORS: Thomas M. Hajecate

Thomas M. Hajecate

Thomas H. Hajecate

Thomas H. Hajecate

Uni International Corporation

Charles P. Allen

Uni Pipeline, Inc.

Steve Alexander

LESSEE: Uni Refining, Inc.

Phillip G. Barnes

Phillip G. Barnes

NEW YORK  
THE STATE OF TEXAS |  
NEW YORK  
COUNTY OF HARRIS |

BEFORE ME, on this day personally appeared Thomas M. Hajecate known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein stated.

SUBSCRIBED AND SWORN TO BEFORE ME, on this the 21st day of September, 1979.

Judith A. Cion  
Notary Public in and For Harris County, Texas  
NEW YORK COUNTY, NEW YORK  
My Commission Expires: \_\_\_\_\_

THE STATE OF NEW YORK |  
COUNTY OF NEW YORK |

JUDITH A. CION  
Notary Public, State of New York  
No. 31-5693725  
Qualified in New York County  
Commission Expires May 30, 1980

BEFORE ME, on this day personally appeared Thomas H. Hajecate known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein stated.

SUBSCRIBED AND SWORN TO BEFORE ME, on this the 21st day of September, 1979.

Judith A. Cion



THE STATE OF TEXAS |

COUNTY OF HARRIS |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Charles L. Utter, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Uni International, Inc. a corporation, and that he executed the same as the act of such corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20<sup>th</sup> day of September 1979.



N. L. Futch  
Notary Public in and for Harris County, Texas

N. L. FUTCH  
Notary Public in and for Harris County, Texas  
My Commission Expires 2-14-81

THE STATE OF TEXAS |

COUNTY OF HARRIS |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared John P. Pugh, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Uni Pipeline, Inc. a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20<sup>th</sup> day of September, 1979



N. L. Futch  
Notary Public in and for Harris County, Texas

N. L. FUTCH  
Notary Public in and for Harris County, Texas  
My Commission Expires 2-14-81

THE STATE OF TEXAS |  
COUNTY OF HARRIS |

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day personally appeared Philip J. Bassett, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Acme Refining, Inc. a corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20<sup>th</sup> day of September 1979.

N. L. Futch  
Notary Public in and for Harris County, Texas

N. L. FUTCH  
Notary Public in and for Harris County, Texas  
My Commission Expires 2-14-82





EXHIBIT A

Leased premises owned by Thomas M. Hajecate and Thomas H. Hajecate, particularly described as follows:

Tract (a)

Being 93.717 acres out of Block "N", Block "II", and Block "JJ", BURTON AND DANFORTH SUBDIVISION, San Patricio County, Texas, and being more particularly described as follows:

BEGINNING at the point of intersection of the easterly right-of-way of Farm Road No. 2725 with the southerly right-of-way of Bishop Road for the most northwesterly corner and POINT OF BEGINNING of this tract;

THENCE along said right-of-way of Bishop Road, South 55 deg. 23' East, 2231.30 feet to a point at the intersection of said right-of-way of Bishop Road with the westerly right-of-way of Bay Avenue;

THENCE along said right-of-way of Bay Avenue, South 34 deg. 37' West, 1985.0 feet;

THENCE South 89 deg. 39' 10" West, 1575.69 feet;

THENCE North 34 deg. 37' East, 796.80 feet;

THENCE South 55 deg. 23' East, 330.00 feet;

THENCE North 34 deg. 37' East, 812.00 feet;

THENCE North 55 deg. 23' West, 1270.00 feet to a point along the easterly right-of-way of Farm Road 2725 for a corner of this tract;

THENCE along said right-of-way of Farm Road 2725, North 34 deg. 37' East, 1280.00 feet to the POINT OF BEGINNING.

Tract (b)

The Surface estate only of a Tract of land and being a Six (6) acre tract of land, more or less, out of the north end of Lot Four (4), Block JJ of the Burton and Danforth Acreage Subdivision, as shown by the map or plat of the same of record in Volume 152, Page 1, Deed Records of said County, reference to which is hereby made for all purposes, and described as follows:

Starting at a point in the center line of the Old Ingleside Highway where the center line of the 40 foot designated County Road crosses said Highway, said Road being designated 16th Str., and said point being also in the dividing line between Lots Three (3) and Four (4) in Block M of the Burton and Danforth Subdivision as shown on the map made by P. L. Telford, dated December 9, 1909, and recorded in the Map Records of Aransas County, Texas;

THENCE in an easterly direction along the center line of said 40 foot roadway, 1020 feet to the Northwest corner of the tract, herein described said corner being at the intersection point of said 40 foot Roadway and a 60 foot Roadway designated Ingleside Avenue;

THENCE Continuing in an easterly direction 330 feet to the Northeast corner of the tract herein described;

THENCE turning 90° in a southerly direction along the boundary line between Lots 3 and 4, Blk. JJ of said Burton and Danforth Subdivision, a distance of 792 feet to the Southeast corner of the tract herein described;

THENCE in a westerly direction 330 feet to the Southwest corner of the tract herein described said Southwest corner being in the center line of aforesaid Ingleside Ave.;

THENCE turning 90° and in a northerly direction 792 feet to the point of beginning, containing 6.0 acres, more or less.

## EXHIBIT A (Continued)

Tract (c)

Being a tract of land situated in San Patricio County, Texas, described as portions of Lots 1, 2, and 3 in Land Block M, Burton and Danforth Subdivision in San Patricio County, Texas according to a plat recorded in Volume 1, pages 62 and 63, Map Records of Aransas County, Texas, a certified true copy of said plat being recorded in Volume 152, Page 1 of the Deed Records of San Patricio County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a point located in the north right-of-way line of F.M. 2725, from whence the centerline of Bishop Road bears N 34° 37' 00" E at a distance of 2620 feet, said point of beginning being the most westerly corner of Lot 3, Land Block M, Burton and Danforth Subdivision, and the most westerly corner of this tract;

THENCE N 34° 37' 00" E along the south right-of-way line of F.M. 2725, and the north-west line of Lot 3, Land Block M, Burton and Danforth Subdivision, a distance of 896.00 feet to a point for a corner of this tract;

THENCE S 55° 23' 00" E across Lot 3, Land Block M, Burton and Danforth Subdivision, a distance of 280.00 feet to a point, said point lying on the common line between Lot 2 and Lot 3, Land Block M, Burton and Danforth Subdivision, for an interior corner of this tract;

THENCE N 34° 37' 00" E along said common line between Lot 2 and Lot 3, Burton and Danforth Subdivision a distance of 384.00 feet to a point, said point lying on the south right-of-way line of a 40 foot wide dedicated roadway and on the northeast line of Land Block M, Burton and Danforth Subdivision for the most northerly corner of this tract;

THENCE S 55° 23' 00" E along the south right-of-way line of a 40 foot wide dedicated roadway and the northeast line of Land Block M, Burton and Danforth Subdivision, a distance of 630.00 feet to a point for the most easterly corner of Lot 1, Land Block M, Burton and Danforth Subdivision, and the most easterly corner of this tract, said point lying in the west right-of-way line of a 60 foot wide dedicated roadway;

THENCE S 34° 37' 00" W along the west right-of-way line of said 60 foot wide dedicated roadway and the southeast line of Lot 1, Land Block M, Burton and Danforth Subdivision, a distance of 640.00 feet to a point for a corner of this tract;

THENCE N 55° 23' 00" W across Lot 1 and Lot 2, Land Block M, Burton and Danforth Subdivision, a distance of 630.00 feet to a point, said point lying on the common line between Lot 2 and Lot 3, Land Block M, Burton and Danforth Subdivision, and being an exterior corner of this tract;

THENCE S 34° 37' 00" W along the common line between Lot 2 and Lot 3, Burton and Danforth Subdivision, a distance of 640.00 feet to a point, said point lying on the north right-of-way line of a 40 foot wide dedicated roadway and the southwest line of Lot 3, Land Block M, Burton and Danforth Subdivision, and being the most southerly corner of this tract;

THENCE N 55° 23' 00" W along the north right-of-way line of a 40 foot wide dedicated roadway and the southwest line of Lot 3, Land Block M, Burton and Danforth Subdivision, a distance of 280.00 feet to the point of beginning forming a tract of land embracing 15.01561 acres.

Leased premises owned by Uni International Corporation, particularly described as follows:

Tract (d)

The following described tract or parcel of land consisting of 5.207 acres, more or less, out of Farm Lot Three (3) in Land Block "O", located in Burton and Danforth Subdivision, Abstr. 184, San Patricio County, Texas, to-wit:

Commencing at the apparent physical North Corner of said Lot No. 3 herein described.

THENCE South 34 deg. 00' West with West boundary of said Lot No. 2 a distance of 470 feet to the point of the beginning. Said point being the North corner of 5.207 acre tract herein described.

THENCE South 56 deg. 00' East a distance of 280 feet to a point on the East boundary line of said Lot No. 3 for the East corner of said 5.207 acre tract.

EXHIBIT A (Continued)

THENCE South 34 deg. 00' West with the East boundary line of said Lot 3 a distance of 810 feet to a point marking the apparent physical South corner of said Lot No. 3 and the South corner of said 5.207 acre tract.

THENCE North 56 deg. 00' West with the South boundary line of said Lot No. 3 and the west corner of said 5.207 acre tract.

THENCE North 34 deg. 00' East with the West boundary line of said Lot No. 3 a distance of 810 feet to a point of beginning and containing in these metes and bounds 5.207 acres of land, more or less, and being a portion of the same property acquired by United Gas Pipe Line Company by deed dated July 21, 1952, duly recorded in Vol. 177, Pages 535-536 and by correction deed dated April 24, 1967, duly recorded in Vol. 350, Pages 380-382 and by correction deed dated March 18, 1976, duly recorded in Vol. 524, Pages 337-341, and being the same land conveyed to South Gulf Management, Inc., by deed dated March 25, 1977, duly recorded in Vol. 552, Pages 1-4, all of the above instruments being recorded in the deed records of San Patricio County, Texas.

LESS AND EXCEPT the most Northerly 110 feet of said tract and comprising of .708 acre, more or less.

Tract (e)

Being a tract of land 610 feet by 665 feet out of the South end of Farm Lots Nos. Four (4) and Five (5), Land Block "O", of the Burton and Danforth Subdivision, according to the map or plat of said Subdivision made by P. L. Telford, Surveyor, recorded in Vol. 1, pages 62-63, Map Records, Aransas County, Texas, a certified photocopy of which recorded map being of record in Vol. 152, page 1, Deed Records, San Patricio County, Texas; to which map and the records thereof references are here made for further description of said Farm Lots; and said tract being described by metes and bounds, viz:

BEGINNING at the Southwest corner of said Farm Lot 5 which point is on the North line of a Roadway between Blocks "O" and "N" of said Subdivision, for the Southwest corner of this tract;

THENCE, in a Southeasterly direction along said North line of said Roadway a distance of 610 feet, to the present Southeast corner of said Farm Lot 4 which point is also on the West line of a Roadway between Farm Lots 3 and 4 of said Block and Subdivision, for the Southeast corner of this tract;

THENCE in a Northeasterly direction along said West line of said Roadway a distance of 665 feet to the Southeast corner of tract conveyed to United Gas Pipe Line Company by Warranty Deed dated May 6, 1967, recorded in Vol. 351, page 428, Deed Records of San Patricio County, Texas, for the Northeast corner of this tract;

THENCE in a Northwesterly direction along the South line of said tract conveyed to United Gas Pipe Line Company, a distance of 610 feet to the West line of said Farm Lot 5, for the Northwest corner of this tract;

THENCE in a Southwesterly direction along the West line of said Farm Lot 5, a distance of 665 feet to the PLACE OF BEGINNING.

Tract (f)

A tract or parcel of land located in San Patricio County, Texas, described more particularly as follows, to-wit:

Beginning at the Northwest corner of Lot Four (4), Block N, of the Burton and Danforth Subdivision as shown by map recorded in Vol. 1 at pages 62-63 in the Map Records of Aransas County, Texas, a certified photostatic copy of which is filed in the Deed Records of San Patricio County in Vol. 152 at page 1, said point being the South line of Bishop Road;

THENCE, South 55 Deg. 23 Min. East, 280 feet to the Northeast corner of said lot in the West line of State F.M. Road No. 2725;

THENCE, South 34 Deg. 37 Min. West, 640 feet along the East line of said lot and the West line of said F.M. Road No. 2725 to the Southeast corner of this tract;

THENCE, North 55 Deg. 23 Min. West, 280 feet to the Southwest corner of this tract in the West line of said Lot 4;

THENCE, North 34 Deg. 37 Min. East, 640 feet along the West line of Lot 4 to the point of beginning.

Save and except the following described portion of the above described property, to-wit:

BEGINNING at a point in the West line of State F.M. Road No. 2725 and the East line of Lot 4, Block N. of the Burton and Danforth Subdivision as shown by map records in Vol. 1 at pages 62-63 of the Map Records of Aransas County, Texas, a certified photostatic copy of which is filed in the Deed Records of San Patricio County, Texas, in Vol. 152, at page 1, said Point of Beginning bears South 34 Deg. 37 Min. West, 484.42 feet from the Northeast corner of said Lot 4, Block North;

THENCE, North 55 Deg. 23 Min. West, 280 feet parallel to the North line of said Lot 4 to the Northwest corner of this tract in the West line of Lot 4 of said Lot 4, Block North;

THENCE, South 34 Deg. 37 Min. West, 155.58 feet with the West line of said Lot 4 to the Southwest corner of this tract;

THENCE, South 55 Deg. 23 Min. East, 280 feet parallel to the North line of Lot 4 of said Block N to the Southeast corner of this tract in the East line of said Lot 4 and the West line of F.M. Road No. 2725;

THENCE, North 34 Deg. 37 Min. East, 155.58 feet with the East line of Lot 4 and the West line of F.M. Road 2725 to the point of BEGINNING, containing one (1) acre of land.

Leased premises owned, operated and/or leased by Uni Pipeline, Inc., particularly described as follows:

Right of Way and Easement (a)

A portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision as shown by map recorded in Vol. 1 at pages 62-63 map records Aransas County, Texas, and Vol. 152 at page 1 of the deed records of San Patricio County, Texas,

The right of way herein and hereby conveyed being 50 feet wide (for construction purposes) the centerline of which is described as follows,

Beginning at a point in the south line of Rhodes Avenue, said point bearing S. 55 Deg. 23 Min. 1815 feet from the centerline of Commercial Street as measured along the north line of Rhodes Avenue, said point being in the north line of Lot 2, Block A-A as shown by Burton and Danforth map,

Thence S. 53 Deg. 36 Min. W. 423 feet to a corner,

Thence S. 75 Deg. 48 Min. 283 feet to point in the owners' south property line a total distance of 706 feet, (or 42.79 rods).

After completion of construction the right of way herein and hereby conveyed shall revert to 20 feet in width throughout, and being the most westerly 20 feet of the right of way herein described.

It is understood that said pipe line shall be laid 15 feet to the west side of the centerline above described.

Right of Way and Easement (b)

A portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision as shown by map recorded in Vol. 1 at pages 62-63 map records Aransas County, Texas and Vol. 152 at page 1 of the deed records of San Patricio County, Texas,

The right of way herein and hereby conveyed being 50 feet wide (for construction purposes) the centerline of which is described as follows,

Beginning at a point in the centerline of Ingleside Avenue, S. 34 Deg. 37 Min. W. 200.1 feet from the centerline of Beasley Avenue,

Thence N. 75 Deg. 48 Min. E. 256 feet the centerline of Beasley Avenue and continuing along same course across Lot 4, Block A-A to a point in the owners' north line a total distance of 1019 feet (or 61.75 rods).

EXHIBIT A (Continued)

After completion on construction the right of way herein and hereby conveyed shall revert to 20 feet in width throughout, and being the most westerly 20 feet of the right of way herein described.

It is understood that said pipe line shall be laid 15 feet to the west side of the centerline above described.

Right of Way and Easement (c)

A portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "T" of the Burton and Danforth Subdivision as shown by map recorded in Vol. 1 at pages 62-63 map records Arkansas County, Texas, and Vol. 152 at page 1 of the deed records of San Patricio County, Texas,

The right of way herein and hereby conveyed being 50 feet wide (for construction purposes) the center line of which is described as follows,

Beginning at a point in the centerline of Ingleside Avenue S. 34 Deg. 37 Min. W. 200.1 feet from the centerline of Beasley Avenue,

Thence S. 76. Deg. 37 Min. W. across Lots 1, 2 and 3 of Block "U" and Lot 3, Block "T" to the owners' west property line in the west line of Lot 3, Block "T" and the east line of State F.M. Road No. 2725 opposite State Highway Department's Engineering Station 18+50.0 feet. A total distance of 1740 feet (or 105.45 rods).

After completion of construction the right of way herein and hereby conveyed shall revert to 20 feet in width throughout, and being the most westerly 20 feet of the right of way herein described.

It is understood that said pipe line shall be laid 15 feet to the west side of the centerline above described.

## EXHIBIT B

Tract (Exhibit A)	Lessor	Lease Term		Rent	
		Begin.	End.	Annual	Monthly
(a)	T.M. & T.H. Hajecate	9-1-79	8-31-86	\$100,128	\$ 8,344
(b)	T.M. & T.H. Hajecate	9-1-79	8-31-86	7,560	630
(c)	T.M. & T.H. Hajecate	9-1-79	8-31-86	<u>18,240</u>	<u>1,520</u>
				<u>\$125,928</u>	<u>\$10,494</u>
(d)	Uni International Corp.	9-1-79	8-31-86	\$ 7,680	\$ 640
(e)	Uni International Corp.	9-1-79	8-31-86	20,400	1,700
(f)	Uni International Corp.	9-1-79	8-31-86	<u>7,800</u>	<u>650</u>
				<u>\$ 35,880</u>	<u>\$ 2,990</u>
<u>Easements</u>	Uni Pipeline, Inc.	9-1-79	8-31-86	<u>\$600</u>	<u>\$50</u>



EXHIBIT A

Fee Lands

Tract (a)

Being 93.717 acres out of Block "N", Block "II", and Block "JJ", BURTON AND DANFORTH SUBDIVISION, San Patricio County, Texas, and being more particularly described as follows:

BEGINNING at the point of intersection of the easterly right-of-way of Farm Road No. 2725 with the southerly right-of-way of Bishop Road for the most northwesterly corner and POINT OF BEGINNING of this tract;

THENCE along said right-of-way of Bishop Road, South 55 deg. 23' East, 2231.30 feet to a point at the intersection of said right-of-way of Bishop Road with the westerly right-of-way of Bay Avenue;

THENCE along said right-of-way of Bay Avenue, South 34 deg. 37' West, 1985.50 feet;

THENCE South 89 deg. 39' 10" West, 1575.69 feet;

THENCE North 34 deg. 37' East, 796.80 feet;

THENCE South 55 deg. 23' East, 330.00 feet;

THENCE North 34 deg. 37' East, 812.00 feet;

THENCE North 55 deg. 23' West, 1270.00 feet to a point along the easterly right-of-way of Farm Road 2725 for a corner of this tract;

THENCE along said right-of-way of Farm Road 2725, North 34 deg. 37' East, 1280.00 feet to the POINT OF BEGINNING.

Tract (b)

The Surface estate only of a Tract of land and being a Six (6) acre tract of land, more or less, out of the north end of Lot Four (4), Block JJ of the Burton and Danforth Acreage Subdivision, as shown by the map or plat of the same of record in Volume 152, Page 1, Deed Records of said County, reference to which is hereby made for all purposes, and described as follows:

Starting at a point in the center line of the Old Ingleside Highway where the center line of the 40 foot designated County Road crosses said Highway, said Road being designated 16th Str., and said point being also in the dividing line between Lots Three (3) and Four (4) in Block M of the Burton and Danforth Subdivision as shown on the map made by P. L. Telford, dated December 9, 1909, and recorded in the Map Records of Aransas County, Texas;

THENCE in an easterly direction along the center line of said 40 foot roadway, 1020 feet to the Northwest corner of the tract herein described, said corner being at the intersection point of said 40 foot Roadway and a 60 foot Roadway designated Ingleside Avenue;



THENCE S 34° 37' 00" W along the west right-of-way line of said 60 foot wide dedicated roadway and the south-east line of Lot 1, Land Block M, Burton and Danforth Subdivision, a distance of 640.00 feet to a point for a corner of this tract;

THENCE N 55° 23' 00" W across Lot 1 and Lot 2, Land Block M, Burton and Danforth Subdivision, a distance of 630.00 feet to a point, said point lying on the common line between Lot 2 and Lot 3, Land Block M, Burton and Danforth Subdivision, and being an interior corner of this tract;

THENCE S 34° 37' 00" W along the common line between Lot 2 and Lot 3, Burton and Danforth Subdivision, a distance of 640.00 feet to a point, said point lying on the north right-of-way line of a 40 foot wide dedicated roadway and the southwest line of Lot 3, Land Block M, Burton and Danforth Subdivision, and being the most southerly corner of this tract;

THENCE N 55° 23' 00" W along the north right-of-way line of a 40 foot wide dedicated roadway and the southwest line of Lot 3, Land Block M, Burton and Danforth Subdivision, a distance of 280.00 feet to the point of beginning, forming a tract of land embracing 15.01561 acres.

Tract (d)

The following described tract or parcel of land consisting of 5.207 acres, more or less, out of Farm Lot Three (3) in Land Block "O", located in Burton and Danforth Subdivision, Abstr. 184, San Patricio County, Texas, to-wit:

Commencing at the apparent physical North Corner of said Lot No. 3 herein described.

THENCE South 34 deg. 00' West with West boundary of said Lot No. 3 a distance of 470 feet to the point of the beginning. Said point being the North corner of 5.207 acre tract herein described.

THENCE South 56 deg. 00' East a distance of 280 feet to a point on the East boundary line of said Lot No. 3 for the East corner of said 5.207 acre tract.

THENCE South 34 deg. 00' West with the East boundary line of said Lot 3 a distance of 810 feet to a point marking the apparent physical South corner of said Lot No. 3 and the South corner of said 5.207 acre tract.

THENCE North 56 deg. 00' West with the South boundary line of said Lot No. 3 and the west corner of said 5.207 acre tract.

THENCE North 34 deg. 00' East with the West boundary line of said Lot No. 3 a distance of 810 feet to a point of beginning and containing in these metes and bounds 5.207 acres of land, more or less, and being a portion of the same property acquired by United Gas Pipe Line Company by deed dated July 21, 1952, duly

Beginning at the Northwest corner of Lot Four (4), Block N, of the Burton and Danforth Subdivision as shown by map recorded in Vol. 1 at pages 62-63 in the Map Records of Aransas County, Texas, a certified photostatic copy of which is filed in the Deed Records of San Patricio County in Vol. 152 at page 1, said point being the South line of Bishop Road;

THENCE, South 55 Deg. 23 Min. East, 280 feet to the Northeast corner of said lot in the West line of State F.M. Road No. 2725;

THENCE, South 34 Deg. 37 Min. West, 640 feet along the East line of said lot and the West line of said F.M. Road No. 2725 to the Southeast corner of this tract;

THENCE, North 55 Deg. 23 Min. West, 280 feet to the Southwest corner of this tract in the West line of said Lot 4;

THENCE, North 34 Deg. 37 Min. East, 640 feet along the West line of Lot 4 to the point of beginning.

Save and except the following described portion of the above described property, to-wit:

BEGINNING at a point in the West line of State F.M. Road No. 2725 and the East line of Lot 4, Block N of the Burton and Danforth Subdivision as shown by map records in Vol. 1 at pages 62-63 of the Map Records of Aransas County, Texas, a certified photostatic copy of which is filed in the Deed Records of San Patricio County, Texas, in Vol. 152, at page 1, said Point of Beginning bears South 34 Deg. 37 Min. West, 484.42 feet from the Northeast corner of said Lot 4, Block North;

THENCE, North 55 Deg. 23 Min. West, 280 feet parallel to the North line of said Lot 4 to the Northwest corner of this tract in the West line of said Lot 4, Block N;

THENCE, South 34 Deg. 37 Min. West, 155.58 feet with the West line of said Lot 4 to the Southwest corner of this tract;

THENCE, South 55 Deg. 23 Min. East, 280 feet parallel to the North line of Lot 4 of said Block N to the Southeast corner of this tract in the East line of said Lot 4 and the West line of F.M. Road No. 2725;

THENCE, North 34 Deg. 37 Min. East, 155.58 feet with the East line of Lot 4 and the West line of F.M. Road No. 2725 to the point of BEGINNING, containing one (1) acre of land.

Tract (g)

Lot Nine (9) and the South or Southwest One-Half of Lot Ten (S or SW/2 of Lot 10), Block Two Hundred Thirty-Two (232), Town of Aransas Pass, in San Patricio County, Texas, as shown by map or plat of same of record in Volume 2, Page 10, Map Records of San Patricio County, Texas.

THENCE, N. 17° 16' 57" E., 345.7 feet along the centerline of Ocean Drive to a corner;

THENCE, N. 15° 24' 14" E., 349.46 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 18° 04' 37" E., 344.24 feet along said centerline of Ocean Drive to a corner;

THENCE, N. 29° 15' E., 331.45 feet along said centerline of Ocean Drive to the Northwest corner of this tract;

THENCE, S. 55° 23' E., 270.01 feet with the Southeasterly projection of the North line of Lot Three (3), Bay Block Seven (7) of said subdivision to the shore of Red Fish Bay for the Northeast corner of this tract;

THENCE, with the shore of Red Fish Bay, S. 30° 06' 42" W., 331.02 feet;

THENCE, continuing with said shoreline, S. 32° 32' 03" W., 330.02 feet;

THENCE, along said shoreline, S. 32° 17' 15" E., 59.81 feet;

THENCE, along said shoreline, S. 16° 46' 10" W., 308.88 feet to a corner of this tract;

THENCE, along said shoreline, S. 23° 50' 07" W., 340.40 feet to the Southeast corner of this tract in the Southeasterly projection of the South line of Lot Two (2), Bay Block Eight (8) of said subdivision;

THENCE, N. 55° 23' W., 170.01 feet along said projection of the South line of said Lot Two (2) to the POINT OF BEGINNING, SAVE AND EXCEPT the East one-half (1/2) of Ocean Drive, an 80 foot roadway dedicated to the public use as such, containing 6.764 acres (including roadway), more or less, 5.505 acres, more or less, excluding one-half (1/2) roadway;

SAVE AND EXCEPT, however, the following:

Beginning at a point in the center line of Ocean Drive where the center line of Sunray Road, a forty (40') foot county road, crosses said center line of Ocean Drive as shown by Burton and Danforth Subdivision map recorded in Vol. 1 at pages 62-63 of the map records of Aransas County, Texas, a certified photostatic copy of which is recorded in the Deed Records of San Patricio County, Texas, in Vol. 152, at page 1,

THENCE N. 18 deg. 4 min. 37 sec. East, 156.47 ft. along the center line of said Ocean Drive, an 80-foot roadway to the Northwest corner of this tract;

THENCE S. 55 deg. 25 min. East 218.55 feet to the shoreline of Redfish Bay for the Northeast corner of this tract;

THENCE S. 32 deg. 32 min. 3 sec. West, 150.1 feet with the shoreline of Redfish Bay;

THENCE S. 23 deg. 17 min. 15 sec. East, 59.47 feet along the shoreline;

THENCE S. 16 deg. 46 min. 10 sec. West, 308.88 feet along the shoreline;

THENCE S. 23 deg. 50 min. 7 sec. West, 340.40 feet along the shore to the Southeast corner of this tract;

THENCE N. 55 deg. 23 min. West, 170.17 feet to the Southwest corner in the center line of Ocean Drive;

THENCE N. 17 deg. 16 sec. 57 min. East, 345.70 feet with the center line of Ocean Drive to a corner;

THENCE N. 15 deg. 24 min. 14 sec. East, 349.46 feet along the center line of Ocean Drive to the point of beginning, containing 3.74 acres, save and except the East one-half (1/2) of Ocean Drive embraced within the above metes and bounds.

2. Pipeline Easement dated March 23, 1978, from Hugh C. Jackson to Uni Pipe Line Inc., covering a portion of Lot 4, Block B-B and Lots 3 and 4, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

3. Pipeline Easement dated March 17, 1978, from Dorothy Gathings to Uni Pipe Line, Inc., covering a portion of Lots 1, 2 and 3, Block "U" and Lot 3, Block "T" of the Burton and Danforth Subdivision, San Patricio County, Texas.

4. Pipeline Easement dated March 20, 1978, from Florence I. Duphorne to Uni Pipe Line, Inc., covering a portion of Lots 2 and 3, Block A-A of the Burton and Danforth Subdivision, San Patricio County, Texas.

5. Pipeline Resolution of the Commissioner's Court of San Patricio County, Texas dated April 28, 1978, authorizing Uni Oil, Inc. to lay, construct, maintain and operate pipelines under, through, across and along certain public roads and highways.

6. Permit No. 1191 dated January 19, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni-Oil, pertaining to a pipeline across State Highway No. 361, San Patricio County, Texas.

7. Permit No. 1216 dated February 15, 1978, issued by the State Department of Highways and Public Transportation of the State of Texas to Uni Pipe Line, Inc., pertaining to a pipeline across F.M. No. 2725.

FH:4:02:J

LEASE AGREEMENT

283542

THOMAS M. HAJECATE AND THOMAS H.  
HAJECATE, UNI INTERNATIONAL CORP.,  
UNI PIPELINE, INC.,

TO

UNI REFINING, INC.

FILED FOR RECORD

OCT 8 1979

DOTTIE MALEY

CLERK OF DISTRICT COURT SAN PATRICIO CO. TEX  
By *[Signature]* Deputy

Return to BAKER & BOTT  
ONE SHELL PLAZA  
HOUSTON, TEXAS 77002  
GP 7212

Filed for Record... *8th*... day of... *Oct.*... 19... *79*... at... *8*... P.M.  
Recorded... *10th*... day of... *Oct.*... 19... *79*... at... *8:15*... A.M.  
Volume... *612*... Page No. *220-822*

*[Signature]* Mary K. Peters Deputy

DOTTIE MALEY, County Clerk  
San Patricio County, Texas

822